

AGENDA
REGULAR MEETING OF COUNCIL
February 18, 2020
6:30 PM

1. ROLL CALL
2. READING OF MINUTES
3. REPORTS & COMMUNICATIONS FROM MAYOR & HEADS OF DEPARTMENTS AND INTERESTED PARTIES AND CITY CLERK'S NOTES
 - 3.A CHECK RECEIVED FROM COMCAST IN THE AMOUNT OF \$257,172.59 FOR QUARTERLY FRANCHISE FEE.

[Check received from Comcast for 4th Qtr 2019 Franchise Fee 02-10-2020.pdf](#)
 - 3.B CORRESPONDENCE RECEIVED FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY DATED FEBRUARY 5, 2020 REGARDING THE FINAL FLOOD HAZARD DETERMINATION FOR THE CITY OF SCRANTON.

[Correspondence received from FEMA dated February 5, 2020.pdf](#)
 - 3.C CORRESPONDENCE SENT TO MR. JOHN BASALYGA, MARKETPLACE AT STEAMTOWN DATED FEBRUARY 12, 2020 REGARDING THE ELECTRIC CITY GARAGE.

[Correspondence sent to John Basalyga dated 2-12-2020.pdf](#)
 - 3.D TAX ASSESSOR'S REPORT FOR HEARING DATE TO BE HELD FEBRUARY 26, 2020.

[Tax Assessor's Report for 02-26-2020.pdf](#)
 - 3.E MINUTES OF THE HISTORICAL ARCHITECTURE REVIEW BOARD MEETING HELD JANUARY 9, 2020.

4. CITIZENS PARTICIPATION

5. INTRODUCTION OF ORDINANCES, RESOLUTIONS,
APPOINTMENT AND/OR RE-APPOINTMENTS TO BOARDS &
COMMISSIONS MOTIONS & REPORTS OF COMMITTEES

5.A MOTIONS

- 5.B FOR INTRODUCTION – A RESOLUTION – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A PROFESSIONAL SERVICES CONTRACT WITH UFBERG & ASSOCIATES, LLP FOR LABOR COUNSEL FOR THE CITY OF SCRANTON.

[Resolution-2020 Contract with Ufberg Associates for Labor Counsel.pdf](#)

- 5.C FOR INTRODUCTION – A RESOLUTION – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS FOR THE CITY OF SCRANTON TO ENTER INTO A LOAN TO GRANT AGREEMENT AND MAKE A LOAN/GRANT FROM THE CITY OF SCRANTON’S BUSINESS AND INDUSTRY LOAN TO GRANT PROGRAM, PROJECT NO. 150.46 IN AN AMOUNT NOT TO EXCEED \$70,000.00 TO FANCY PARSLEY, LLC TO ASSIST AN ELIGIBLE PROJECT.

[Resolution-2020 Loan Grant Agreement Fancy Parsley, LLC.pdf](#)

6. CONSIDERATION OF ORDINANCES - READING BY TITLE

- 6.A NO BUSINESS AT THIS TIME.

7. FINAL READING OF RESOLUTIONS AND ORDINANCES

- 7.A FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY DEVELOPMENT - FOR ADOPTION - RESOLUTION NO. 17, 2020 - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE OFFICIALS OF THE CITY OF SCRANTON TO ENTER INTO A LOAN AGREEMENT AND MAKE A LOAN FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION-REVOLVING LOAN PROGRAM, PROJECT NUMBER 009.500.5, IN AN AMOUNT NOT TO EXCEED THIRTY THOUSAND AND 00/00 DOLLARS (\$30,000.00) TO RITZ HOSPITALITY, LLC TO ASSIST IN AN ELIGIBLE PROJECT.

[Resolution-2020 Ritz Hospitality Loan Agreement.pdf](#)

- 7.B FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - RESOLUTION NO. 18, 2020 - APPROVING, IN ACCORDANCE WITH SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, A PLAN OF FINANCING OF THE SCRANTON-LACKAWANNA HEALTH AND WELFARE AUTHORITY AND DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE OF THE CITY OF SCRANTON FOR THE SCRANTON-LACKAWANNA HEALTH AND WELFARE AUTHORITY TO UNDERTAKE A PROJECT FOR HOWARD GARDNER MULTIPLE INTELLIGENCE CHARTER SCHOOL.

[Resolution-2020 Financing by SLHWA for Howard Gardner School.pdf](#)

- 7.C FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - RESOLUTION NO. 19, 2020 - AUTHORIZING APPOINTMENT OF STEPHANIE L. BRESSLER, PH.D, 1402 EAST GIBSON STREET, SCRANTON, PENNSYLVANIA 18510 AS A MEMBER OF THE BOARD OF ETHICS, EFFECTIVE JANUARY 29, 2020. DR. BRESSLER WILL BE REPLACING JOAN HODOWANITZ WHO RESIGNED EFFECTIVE NOVEMBER 25, 2019. DR. BRESSLER WILL FILL THE UNEXPIRED TERM OF JOAN HODOWANITZ WHICH IS SCHEDULED TO EXPIRE AUGUST 31, 2022.

[Resolution-2020 Appt. Stephanie Bressler, PH.D. Ethics Board.pdf](#)

8. ADJOURNMENT



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

MEMORANDUM

DATE: February 10, 2020
TO: Wayne Beck, City Treasurer
FROM: Nancy Krake, Staff Accountant
RE: Check for Deposit

RECEIVED
FEB 10 2020
OFFICE OF CITY
COUNCIL/CITY CLERK

Enclosed kindly find the following check received from Comcast, representing the CATV franchise fee due the City of Scranton for Invoice/Statement Sept-Dec, 2019. Invoice #644252.

Comcast	Ck. # 520986403	\$257,172.59
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This check is to be deposited into Account #01.380.38010 (CATV Revenue).

cc: John Murray, City Controller
Scranton City Council ✓
Mark Burton, Performance Auditor
Rebecca McMullen, Finance Manager
File



COMCAST FINANCIAL AGENCY CORPORATION
A Comcast Cable Communications Group Company
1701 JFK Boulevard
Philadelphia, PA 19103-2838

16051179

PAGE: 1 of 1

DATE: February 3, 2020
CHECK NUMBER: 520986403
AMOUNT PAID: \$257,172.59



02428 3042 CKS ZA 20034 - 0520986403 NNNNNNNNNNN 0345100004004 X193A1 C
SCRANTON CITY OF PA
ATTN CITY CLERK
340 N WASHINGTON AVE
SCRANTON PA 18503



VENDOR NUMBER: 267205

VENDOR: SCRANTON CITY OF PA

INVOICE NO.	INVOICE DATE	ACCOUNT NUMBER	DESCRIPTION	DISCOUNT AMOUNT	NET AMOUNT
644252	12/31/19		303121-Scranton PA	\$0.00	\$257,172.59
			TOTALS	\$0.00	\$257,172.59

PLEASE DETACH BEFORE DEPOSITING CHECK



COMCAST FINANCIAL AGENCY CORPORATION
A Comcast Cable Communications Group Company
1701 JFK Boulevard
Philadelphia, PA 19103-2838

CHECK
NUMBER 520986403

56-1544
441

February 3, 2020

*** VOID AFTER 180 DAYS ***

PAY
TO THE
ORDER OF: SCRANTON CITY OF PA
ATTN CITY CLERK
340 N WASHINGTON AVE
SCRANTON, PA 18503

CHECK AMOUNT

\$257,172.59

EXACTLY *****257,172 DOLLARS AND 59 CENTS



JPMorgan Chase Bank, N.A.
Columbus, OH

Authorized Signature

5

⑈ 5 20986403 ⑈ ⑈ 044 115443 ⑈

6 755 28343 ⑈



System Name: Comcast of
Colorado/Pennsylvania/West
Virginia, LLC

Email: Adrienne_Schaeffer@comcast.co
m

Phone: 610-665-2515

Vendor ID:	267205
Contract Name:	Scranton PA
Statement Period:	Oct - Dec, 2019
Payment Amount:	\$257,172.59
Statement Number:	644252
CUID:	PA0830
System ID:	8993-1100-4440, 01603-101, 01603-120

SCRANTON CITY OF PA
ATTN CITY CLERK
340 N WASHINGTON AVE
SCRANTON, PA, 18503

This statement represents your payment for the period
listed above.

Revenue Category	Amount
Expanded Basic Video Service	\$1,585,694.98
Limited Basic Video Service	\$1,059,447.29
Digital Video Service	\$1,122,055.62
Pay	\$437,798.59
PPV / VOD	\$101,046.62
Digital Video Equipment	\$202,698.17
Video Installation / Activation	\$29,879.94
Franchise Fees	\$250,109.03
PEG Fees	\$10,981.17
Other	\$44,831.01
Late Fees	\$69,882.95
Write-offs / Recoveries	(\$58,101.11)
Ad Sales	\$245,726.83
Home Shopping Commissions	\$41,400.54
Total:	\$5,143,451.64
Franchise Fee %	5.00 %
Franchise Fee	\$257,172.59

To the best of my knowledge and belief, the above is a true and correct statement for the accounting of the gross revenues received by this corporation for the period.

Adrienne Schaeffer

Accountant



Federal Emergency Management Agency

Washington, D.C. 20472

RECEIVED

FEB 10 2020

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

IN REPLY REFER TO:
19P

OFFICE OF CITY
COUNCIL/CITY CLERK

February 5, 2020

The Honorable William Gaughan
Council President, City of Scranton
340 North Washington Avenue
Scranton, Pennsylvania 18503

Community Name: City of Scranton,
Lackawanna County,
Pennsylvania
Community No.: 420538
Map Panels See FIRM Index
Affected:

Dear Mr. Gaughan:

This is to formally notify you of the final flood hazard determination for the City of Scranton, in compliance with Title 44, Chapter I, Section 67.11, Code of Federal Regulations (44 CFR 67.11). This section requires that notice of final flood hazard determinations shall be sent to the Chief Executive Officer of the community, all individual appellants, and the State Coordinating Agency, and shall be published in the *Federal Register*. The flood hazard determinations for your community may include addition or modification to Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Areas (SFHAs), zone designations, and regulatory floodways. SFHAs are the areas subject to inundation by the flood having a 1-percent chance of being equaled or exceeded in any given year (base flood).

On August 15, 1980, the Department of Homeland Security's Federal Emergency Management Agency (FEMA) issued a Flood Insurance Rate Map (FIRM) that identified the SFHAs in your community. Recently, FEMA completed a re-evaluation of flood hazards in your community. On July 27, 2011, and August 31, 2017, FEMA provided you with Preliminary and Revised Preliminary copies, respectively, of the Flood Insurance Study (FIS) report and FIRM that identify existing flood hazards in your community. A notification of the proposed flood hazard determinations for your community was published in *The Times-Tribune* on October 16, 2012 and October 23, 2012, and in the *Federal Register*, at Part 67, Volume 77, Pages 25497 and 25498 on April 30, 2012, as well as in the *Scranton Times Tribune* on April 18, 2018 and April 25, 2018 and in the *Federal Register* at Part 67, Volume 83, Page 7755 on February 22, 2018.

The statutory 90-day appeal periods, which were initiated on the second newspaper publication dates cited above, have ended. FEMA did not receive any appeals of the proposed flood hazard determinations during that time. Accordingly, the flood hazard information for your community shown on the FIS report and FIRM is considered final. FEMA will publish a notice of final flood hazard determinations in the *Federal Register* as soon as possible. The FIRM for your community will become effective on August 5, 2020. Before the effective date, FEMA will send you final printed copies of the FIS report and FIRM.

Because the FIS report and FIRM establishing the flood hazard information for your community has been completed, certain additional requirements must be met under Section 1361 of the National Flood Insurance Act of 1968, as amended, within 6 months from the date of this letter. Prior to August 5, 2020, your community is required, as a condition of continued eligibility in the National Flood Insurance Program (NFIP), to adopt or show evidence of adoption of floodplain management regulations that meet

the standards of Paragraph 60.3(d) of the NFIP regulations (44 CFR 59, etc.) by the effective date of the FIRM. These standards are the minimum requirements and do not supersede any State or local requirements of a more stringent nature.

It must be emphasized that all the standards specified in Paragraph 60.3(d) of the NFIP regulations must be enacted in a legally enforceable document. This includes adoption of the current effective FIS report and FIRM to which the regulations apply and other modifications made by this map revision. Some of the standards should already have been enacted by your community in order to establish initial eligibility in the NFIP. Your community can meet any additional requirements by taking one of the following actions:

1. Amending existing regulations to incorporate any additional requirements of Paragraph 60.3(d);
2. Adopting all the standards of Paragraph 60.3(d) into one new, comprehensive set of regulations;
or
3. Showing evidence that regulations have previously been adopted that meet or exceed the minimum requirements of Paragraph 60.3(d).

Communities that fail to enact the necessary floodplain management regulations will be suspended from participation in the NFIP and subject to the prohibitions contained in Section 202(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234) as amended.

In addition to your community using the FIS report and FIRM to manage development in the floodplain, FEMA will use the FIS report and FIRM to establish appropriate flood insurance rates. On the effective date of the revised FIRM, actuarial rates for flood insurance will be charged for all new structures and substantial improvements to existing structures located in the identified SFHAs. These rates may be higher if structures are not built in compliance with the floodplain management standards of the NFIP. In general, flood insurance rates increase as the lowest floor elevations (including basements) of new and substantially improved structures decrease in relation to the BFEs or base flood depths (if determined). This is an important consideration for new construction because building at a higher elevation can greatly reduce the cost of flood insurance.

To assist your community in maintaining the FIRM, we have enclosed a Summary of Map Actions (SOMA) to document previous Letter of Map Change (LOMC) actions (i.e., Letters of Map Amendment [LOMAs], Letters of Map Revision [LOMRs]) that will be superseded when the revised FIRM panels referenced above become effective. Information on LOMCs is presented in the following four categories: (1) LOMCs for which results have been included on the revised FIRM panels; (2) LOMCs for which results could not be shown on the revised FIRM panels because of scale limitations or because the LOMC issued had determined that the lots or structures involved were outside the SFHA as shown on the FIRM; (3) LOMCs for which results have not been included on the revised FIRM panels because the flood hazard information on which the original determinations were based are being superseded by new flood hazard information; and (4) LOMCs issued for multiple lots or structures where the determination for one or more of the lots or structures cannot be revalidated through an administrative process like the LOMCs in Category 2 above. LOMCs in Category 2 will be revalidated through a single letter that reaffirms the validity of a previously issued LOMC; the letter will be sent to your community shortly before the effective date of the revised FIRM and will become effective 1 day after the revised FIRM becomes effective. For the LOMCs listed in Category 4, we will review the data previously submitted for the LOMA or LOMR request and issue a new determination for the affected properties after the revised FIRM becomes effective.

The FIRM and FIS report for your community have been prepared in our countywide format, which means that flood hazard information for all jurisdictions within Lackawanna County has been combined into one FIS report and FIRM. When the FIS report and FIRM are printed and distributed, your community will receive only those panels that present flood hazard information for your community. We will provide complete sets of the FIRM panels to county officials, where they will be available for review by your community.

The FIRM panels have been computer-generated. Once the FIS report and FIRM are printed and distributed, the digital files containing the flood hazard data for the entire county can be provided to your community for use in a computer mapping system. These files can be used in conjunction with other thematic data for floodplain management purposes, insurance purchase and rating requirements, and many other planning applications. Copies of the digital files or paper copies of the FIRM panels may be obtained by calling our FEMA Map Information eXchange (FMIX), toll free, at 1-877-FEMA MAP (1-877-336-2627). In addition, your community may be eligible for additional credits under our Community Rating System if you implement your activities using digital mapping files.

Please submit your existing or draft ordinance to Ms. Marita J. Kelley, MPA, State NFIP Coordinator, within one month. Ms. Kelley will review the ordinance, work with your community to develop a compliant ordinance, and submit the compliant ordinance to FEMA Region III for approval. Once you have received feedback and adopt the ordinance, you should also mail a complete, signed official copy of the adopted ordinance to Ms. Kelley before the effective date. Email submissions are preferred, though full contact information follows:

Ms. Marita J. Kelley, MPA
Department of Community and Economic Development
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, Pennsylvania 17120-0225
Phone: (717) 720-7301
markelley@pa.gov

The FEMA Region III staff is also available to assist you with your floodplain measures and may be contacted by telephone at (215) 931-5512. If you have any questions concerning mapping issues in general, please call our FMIX at the toll free number provided above. Additional information and resources your community may find helpful regarding the NFIP and floodplain management, such as *The National Flood Insurance Program Code of Federal Regulations*, *Answers to Questions About the National Flood Insurance Program*, *Frequently Asked Questions Regarding the Effects that Revised Flood Hazards have on Existing Structures*, *Use of Flood Insurance Study (FIS) Data as Available Data*,

and *National Flood Insurance Program Elevation Certificate and Instructions*, can be found on our website at <http://www.floodmaps.fema.gov/lfd>. Paper copies of these documents may also be obtained by calling our FMIX.

Sincerely,

A handwritten signature in black ink, appearing to read 'Luis Rodriguez', with a stylized flourish at the end.

Luis Rodriguez, P.E., Director
Engineering and Modeling Division
Federal Insurance and Mitigation Administration

Enclosure:
Final SOMA

cc: Community Map Repository
Mr. Joseph Borgia, Floodplain Administrator, City of Scranton

FINAL SUMMARY OF MAP ACTIONS

Community: SCRANTON, CITY OF

Community No: 420538

To assist your community in maintaining the Flood Insurance Rate Map (FIRM), we have summarized below the effects of the enclosed revised FIRM panel(s) on previously issued Letter of Map Change (LOMC) actions (i.e., Letters of Map Revision (LOMRs), Letter of Map Revision based on Fill (LOMR-Fs), and Letters of Map Amendment (LOMAs)) that will be affected when the revised FIRM becomes effective on August 5, 2020.

1. LOMCs Incorporated

The modifications effected by the LOMCs listed below will be reflected on the revised FIRM. In addition, these LOMCs will remain in effect until the revised FIRM becomes effective.

LOMC	Case No.	Date Issued	Project Identifier	Original Panel	Current Panel
LOMR	07-03-0177P	09/02/2008	STAUFFER INDUSTRIAL PARK (PA)	4205380010 4205380010B 4205380015 4205380015B	42069C0212D
LOMR	11-03-1671P	07/06/2011	SCRANTON, LACKAWANNA COUNTY	4205380010B 4205380015B	42069C0216D
LOMR	17-03-0447P	02/07/2018	Spruce Street Retaining Wall	4205380015 4205380015B	42069C0219D

2. LOMCs Not Incorporated

The modifications effected by the LOMCs listed below will not be reflected on the revised FIRM panels or will not be reflected on the revised FIRM panels because of scale limitations or because the LOMC issued had determined that the lot(s) or structure(s) involved were outside the Special Flood Hazard Area, as shown on the FIRM. These LOMCs will remain in effect until the revised FIRM becomes effective. These LOMCs will be revalidated free of charge 1 day after the revised FIRM becomes effective through a single revalidation letter that reaffirms the validity of the previous LOMCs.

2A. LOMCs on Revised Panels

LOMC	Case No.	Date Issued	Project Identifier	Original Panel	Current Panel
LOMA	06-03-B310A	06/29/2006	515 WEST MARKET STREET (PA)	4205380010B	42069C0208D
LOMA	09-03-0157A	12/22/2008	2309 Jackson Street	4205380010B	42069C0212D
LOMA	09-03-1054A	04/21/2009	ORIGINAL TOWN, LOTS 15 & 17, BLOCK 31 --- 631 EAST ELM STREET	4205380015B	42069C0218D
LOMR-F	09-03-1846A	11/03/2009	134.20-060-038.00--1300 Meylert Ave	4205380010B	42069C0216D

FINAL SUMMARY OF MAP ACTIONS

Community: SCRANTON, CITY OF

Community No: 420538

2B. LOMCs on Unrevised Panels

LOMC	Case No.	Date Issued	Project Identifier	Original Panel	Current Panel
			NO CASES RECORDED		

3. LOMCs Superseded

The modifications effected by the LOMCs listed below have not been reflected on the Final revised FIRM panels because they are being superseded by new or revised flood hazard information or the information available was not sufficient to make a determination. The reason each is being superseded is noted below. These LOMCs will no longer be in effect when the revised FIRM becomes effective.

LOMC	Case No.	Date Issued	Project Identifier	Reason Determination Will be Superseded
			NO CASES RECORDED	

1. Insufficient information available to make a determination.
2. Lowest Adjacent Grade and Lowest Finished Floor are below the proposed Base Flood Elevation.
3. Lowest Ground Elevation is below the proposed Base Flood Elevation.
4. Revised hydrologic and hydraulic analyses.
5. Revised topographic information.
6. Superseded by another LOMC.

4. LOMCs To Be Redetermined

The LOMCs in Category 2 above will be revalidated through a single revalidation letter that reaffirms the validity of the determination in the previously issued LOMC. For LOMCs issued for multiple lots or structures where the determination for one or more of the lots or structures is no longer valid, the LOMC cannot be revalidated through this administrative process. Therefore, we will review the data previously submitted for the LOMC requests listed below and if appropriate issue a new determination for the affected properties after the effective date of the revised FIRM.

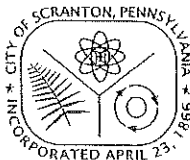
LOMC	Case No.	Date Issued	Project Identifier	Original Panel	Current Panel
			NO CASES RECORDED		

Council of the City of Scranton

340 No. Washington Avenue • Scranton, Pennsylvania 18503 • Telephone 570-348-4113 • Fax 570-348-4207

Lori Reed
City Clerk

Kevin C. Hayes, Esq.
Counsel



William Gaughan, President
Kyle Donahue, Vice President
Pat Rogan
Jessica Rothchild, PT, DPT
Mark McAndrew

February 12, 2020

Via Electronic & First-Class Mail

Mr. John Basalyga
Marketplace at Steamtown
1 Keystone Place, Suite 200
Jessup, PA 18434
Email: info@jbasrealty.com

Dear Mr. Basalyga:

I write to you on behalf of the City Council of Scranton. On January 20, 2020, officials from the National Development Council ("NDC), the outside operator of Scranton's parking system, appeared before City Council to provide a report on the parking system's performance and the status of capital improvements at the City's parking garages. During that presentation, NDC reported that the construction and repair work on the Electric City Garage was being carried out by your company.

As you know, the Electric City Garage was acquired by your company from the City of Scranton in 2016 for \$1.00. When that transaction was approved by City Council, it was done with an understanding that you would be carrying out significant updates and repairs to the Electric City Garage. Specifically, the City paid your firm \$2.85 Million towards renovations of the Electric City Garage. In June of 2018, our Council raised questions as to the status of those renovations. It was reported to Council at that time that only minimum repairs had been completed.

In light of the fact that the City has made a significant financial contribution to the renovation of the Electric City Garage which is used by many Downtown businesses and their patrons, our Council believes it is imperative that the necessary repairs and renovations be carried out in a timely and efficient manner.

Page 2 of 2
Mr. John Basalyga
February 11, 2020

To that end, our Council requests that you provide it with a construction schedule with respect to the Electric City Garage within 30 days of this correspondence. This construction schedule should provide an explanation of the work which has been completed by your company since acquiring the Electric City Garage, along with a projected timeline for completing the repair and renovation work on that facility.

Please feel free to contact me with any questions you have regarding this issue. We look forward to hearing back from you.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Reed", with a stylized, flowing script.

Mrs. Lori Reed
City Clerk

CC: Hon. William Gaughan, Council President
Hon. Kyle Donahue, Council Vice President
Hon. Mark McAndrew, Council Member
Hon. Patrick Rogan, Council Member
Hon. Jessica Rothchild, Council Member

TAX ASSESSOR'S REPORT

Hearing Date: 02/26/20

Time	Name	Boro/Twp.	Pin Number	Attorney	Proposed/Current Assessed Value	After Appeal Value
10:00 AM	SCC HOLDING COMPANY	SCRANTON	15819010012	JOSEPH OBRIEN	183700	
10:10 AM	OMALLEY JEFFREY & ELIZABETH	SCRANTON	1671701000102		33500	
10:20 AM	CHAUDHARI RAMSIBHAI P&ELLEN	DUNMORE	13518050055		27000	
10:30 AM	COLEMAN BRADLEY D & SARAH E	DUNMORE	1470503002948	MATTHEW BARRETT	39000	
10:40 AM	JANUARY LANE LLC	DUNMORE	1580301001402	PATRICK LAVELLE	119968	
10:50 AM	SOBOLEWSKI DAVID M	THROOP	13605030012		13050	
11:00 AM	MARCAVAGE JOSEPH D&KALEENA	THROOP	1250302000143		51000	
11:10 AM	RINALDI PAUL	ROARING BROOK TWP	18102020012		41350	
11:20 AM	GILGALLON TERRI K	SPRINGBROOK	19703010017		18800	
11:30 AM	GATTO KATIE	DALTON	0680404000300		16700	
11:40 AM	SUCHTER MARK F JR & KRISTA	NEWTON TWP	1110102000309	JOHN R OBRIEN	87500	
11:50 AM	CONOBY JOHN & KIMBERLY	NEWTON	1200301001403	DONALD ROBERTS	39000	
12:00 PM	CHAMPLIN EDMUND	NEWTON	0980301000203		25700	
12:10 PM	FINNERTY MAUREEN	SOUTH ABINGTON TWP	0990202000280		42300	
12:20 PM	BRODERICK DONALD & ROSE	SOUTH ABINGTON TWP	0910401000214		29000	
12:30 PM	MARCHEGIANI JUSTIN & SEARFOSS	JEFFERSON TWP	1380201000123	KEVIN SMITH	53000	
12:40 PM	HOLLISTER JASON B & JODY L	JEFFERSON TWP	1510101001011		48000	
12:50 PM	STONE ANN MARIE & FULLER CARR	ARCHBALD	0940101001537		38000	
1:00 PM	BRIGGS JOHN W SR & HELEN M	OLYPHANT	1250209000147		37300	
1:10 PM	MAZUR MARGUERITE M	OLYPHANT	1250209000159		42720	
1:20 PM	GAUGHAN PHILIP A & SHERYL	GREENFIELD TWP	0120401000203	WALTER CASPER	22300	
TOTAL RECORDS					21	

RECEIVED

FEB 13 2020

OFFICE OF CITY
COUNCIL/CITY CLERK

Wednesday, February 12, 2020

Page 1 of 1



City of Scranton

Historic Architectural Review Board

340 N. Washington Avenue

Scranton, PA 18503

SOLICITOR: Timothy Corbett, Esquire

Chairman: Richard Leonori, AIA

RECEIVED

FEB 14 2020

OFFICE OF CITY
COUNCIL/CITY CLERK

January 9, 2020 HARB Monthly Meeting

5:30 p.m.

Approved Minutes

I. Roll Call

Present: Chairman - Rich Leonori, Bill Lesniak, Katherine Kearney, Katie Gilmartin, Jennifer Davis, Nell O'Boyle, Lee Borthwick, Mike Muller

Solicitor: Tim Corbett

Coordinator: Denise Nytech

Absent:

Review of Minutes

Motion made by Katherine Kearney to approve the November 2019 Monthly Meeting Minutes. Seconded by Nell O'Boyle. All in favor.

II. Review of Application(s) for Certificates of Appropriateness –

- A. Review of Certificate of Appropriateness for City Hall, 340 N. Washington Avenue stained glass window restoration.

III. Topics of Discussion

- A. Mary-Pat Ward – Director of OECD spoke to HARB regarding restoration of the stained glass windows at City Hall, 340 N. Washington Avenue. She would like to have HARB help her determine the lowest most responsible company to do the project. In a 2005 Ordinance monies from Micro Enterprise Revolving Loan Program was transferred to Historic Preservation Revolving Loan Program. The current amount is \$15,479.00. Four (4) area businesses requested sealed quote packets for the project. Three (3) responded they are Kasmark Stained Glass, LLC, Classical Glass and The Baut Studios, Inc. The quotes are as follows:

Kasmark - \$13,850.00 included in this work is:

Removal of stained glass.

Restoration of stained glass – re-cementing and installing new re-bars.

Installation of 3/16" thick Clear Polycarbonate Sheet (Lexan) & safety glazing to transom windows.

Reinstall the stained glass.

Classical Glass - \$15,869.00 included in this work is:

Removal of stained glass.

Restoration of stained glass – re-cementing and installing new re-bars. installation of Lexan. This also includes re-leading and reinstalling of the transoms.

Mr. Kordish recommends the use of safety plate glass because it does not yellow, haze over or crack. This would come at an additional cost of \$2,600.00

The Baut Studio's, Inc. - \$37,480.00 this quote exceeds the project limit.

HARB recommended that Mary-Pat ask Kasmark to quote separately safety plate glass in lieu of Lexan and the re-leading of the stained glass transoms. This is to have fair quotes for each of the two companies being considered.

- B. Chairman Leonori spoke briefly regarding the passing of FOC 76 2019, and the expansion of the Local Downtown Historic District.
- C. Katherine Kearney made a motion to pay The Scranton Times invoice for the cancellation of the December's HARB meeting \$64.60. It was seconded by Nell O'Boyle – All in favor.
- D. Michael Muller reported on a meeting held at City Hall with Scranton Tomorrow, ABM Parking, and representatives from the City earlier in December. A request was made for HARB to review the locations of newly installed signs and kiosks at Landmark Structures listed within the HARB Ordinance. While most of the signs and kiosks have already been installed, the HARB was invited to make a recommendation a different placement would be more appropriate. Michael made a personal observation of all of the installed signs and kiosks and felt that they were installed consistently with the ABM parking standards and that the existing locations do not detract from the historic nature of the Landmark Structures. Michael invited the Board to conduct their own reviews and report back if they felt differently. Michael also encouraged Richard Leonori to connect with Scranton Tomorrow if any new issues have been raised or if any old issues have been resolved.

IV. Miscellaneous

Nothing to report at this time.

V. Date of Next Regularly Scheduled Meeting

Thursday, February 13, 2020 at 5:30pm in Council Chambers.

VI. Adjournment

Motion was made to adjourn by Mike Muller and seconded by Nell O'Boyle; all in favor.

RESOLUTION NO. _____

2020

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A PROFESSIONAL SERVICES CONTRACT WITH UFBERG & ASSOCIATES, LLP FOR LABOR COUNSEL FOR THE CITY OF SCRANTON.

WHEREAS, a request for qualifications was advertised for Labor Counsel for the City of Scranton, and two (2) proposals were submitted for review; and

WHEREAS, after review of the qualifications submitted, it was determined that it would be in the best interest of the City to award the contract to Ufberg & Associates, LLP for the reasons provided in the attached Memorandum from the City Solicitor.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City Officials are authorized to execute and enter into a Professional Services Contract, substantially in the form attached hereto marked as Exhibit "A" and incorporated herein by reference thereto with Ufberg & Associates, LLP for Labor Counsel Services for the City of Scranton.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

CONTRACT

This contract entered into this ____ day of _____, 2020, effective _____, by and between the City of Scranton, 340 North Washington Avenue, Scranton, PA 18503, hereinafter called "SCRANTON", and

UFBERG & ASSOCIATES, LLP
310 PENN AVENUE
SCRANTON, PA 18503
PHONE NO. (570) 341-8800

hereinafter called "CONTRACTOR".

WITNESSETH:

WHEREAS, SCRANTON desires the CONTRACTOR to perform certain work and services in accordance with the terms and conditions hereinafter set forth and the CONTRACTOR is ready, willing and able to perform such work and services.

NOW THEREFORE, in consideration of the promises contained herein and the promises each to the other made, the parties do agree and intend to be legally bound as follows:

ARTICLE I - CATEGORY OF WORK AND SERVICES

The work and services to be performed by CONTRACTOR shall be in the general fields of providing Labor Counsel Legal Services for the City of Scranton. The CONTRACTOR hereby covenants, contracts and agrees to furnish SCRANTON with:

LABOR COUNSEL LEGAL SERVICES
FOR THE CITY OF SCRANTON
FOR A TWO (2) YEAR TERM
PER THE ATTACHED BID PROPOSAL AND
SPECIFICATIONS

Said services to be furnished and delivered in conformity with SCRANTON's Specifications marked as Exhibit "A" attached hereto and incorporated herein by reference thereto and the Bid Proposal submitted by Ufberg & Associates, LLP dated January 27, 2020 attached hereto marked as Exhibit "B" and incorporated herein by reference thereto. Said Bid Proposal and Specifications are hereby made part of this Agreement as fully and with the same effect as if set forth at length herein.

ARTICLE II - GENERAL

(1) In the performance of the work and services hereunder, the CONTRACTOR shall act solely as an independent contractor, and nothing contained or implied shall at any time be construed as to create the relationship of employer and employee, partnership, principal/agent, or joint venturer as between SCRANTON and the CONTRACTOR.

(2) Failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights, or of any other rights hereunder.

ARTICLE III - FEES

Said services to be furnished and delivered in conformity with the Bid Proposal and Specifications attached hereto. Said Bid Proposal and Specifications are incorporated herein by reference as though set forth at length.

SCRANTON agrees to pay the CONTRACTOR for furnishing the above services if said services are provided in compliance with the terms and conditions of this Contract. CONTRACTOR will provide invoices monthly to the City Solicitor or her designee, by electronic mail or other commercially suitable method, and are payable by SCRANTON within thirty (30) calendar days from the date of CONTRACTOR's delivery of the invoice to the Solicitor or her designee.

The terms and conditions of this contract are set forth herein and may be supplemented, upon the parties' agreement, by any current or subsequent attachments or exhibits which, once mutually agreed and executed, will be incorporated into and be part of this contract.

ARTICLE IV - INSURANCE

- (1) CONTRACTOR represents that it now carries, and agrees it will continue during the term of this Contract to carry Professional Liability Insurance in the amount of \$1,000,000.00.
- (2) Proof of insurance coverage shall be available for SCRANTON's review and will be furnished to SCRANTON if requested.

ARTICLE V: TERMINATION OF CONTRACT

If the CONTRACTOR shall materially fail to fulfill its obligations or violate any of its covenants under this Agreement or any laws governing its implementation or performance of, SCRANTON shall thereupon have the right to terminate this Agreement by giving written notice to the CONTRACTOR specifying the purported reason for termination and the proposed effective date of said termination. Said notice shall be given in writing to the CONTRACTOR, to be effective no less than thirty (30) calendar days from receipt of same by the CONTRACTOR. CONTRACTOR will have a period of up to twenty (20) calendar days from its receipt of such a notice from SCRANTON to deny, reply or cure, as the case may be, whereupon SCRANTON and CONTRACTOR either will either agree that the issue has been or will be remedied and resolved or either party may declare the contract terminated and proceed with its rights under Article VI, below. In the latter event, all client records, and any amounts as were expended by SCRANTON as payment to CONTRACTOR in violation of the terms of this Agreement shall be returned to SCRANTON.

ARTICLE VI: JURISDICTION

This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania and all obligations hereunder are to be performed in Lackawanna County, Pennsylvania. Jurisdiction over the subject matter and performance of this Agreement, and of any dispute hereunder, is therefore vested in the Lackawanna County Court of Common Pleas or, by agreement of the parties or upon assignment by the Court at the time of any such dispute or disagreement, before a mutually agreed, duly appointed arbitrator.

ARTICLE VII- ENTIRE AGREEMENT

This contract constitutes the entire agreement between SCRANTON and Contractor. It supersedes all prior contemporaneous communications, representations, or agreements, whether oral or written, with respect to the subject matter thereof and if it has been induced by no representations, statements, or agreements other than those expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by an authorized officer of the party sought to be bound thereby.

IT IS FURTHER UNDERSTOOD AND AGREED that this contract is entered into under and subject to the provisions of the Act of Assembly of the Commonwealth of Pennsylvania, approved March 7, 1901, its supplements and amendments, and the liability of the City of Scranton herein limited to the amount appropriated for the same and subject to the Section 6-13 of the Administrative Code of the City of Scranton which limits payments of money out of the City Treasury to appropriations made by the Council.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF the parties hereto have, in due form of law, caused this agreement to be executed the day and year first above written.

ATTEST:

CITY CLERK

BY: _____
MAYOR

DATE: _____

DATE: _____

COUNTERSIGNED:

CITY CONTROLLER

CITY SOLICITOR

DATE: _____

DATE: _____

APPROVED AS TO FORM:

CITY SOLICITOR

DATE: _____

UFBERG & ASSOCIATES, LLP

BY:

TITLE: _____

DATE: _____

MEMORANDUM

TO: Paige Cognetti, Mayor
Patrick Sheridan, Business Administrator
Stephanie Pisko, Esquire, Chief of Staff

FROM: Jessica Eskra, Esquire, City Solicitor/Acting Human Resources Director

DATE: February 5, 2020

RE: Legal Services – Labor Counsel – RFQ Award

The City of Scranton received two (2) proposals for legal services for labor counsel. Proposals were received from Maiello Brungo & Maiello and Ufberg & Associates, LLP.

The first firm, Maiello Brungo & Maiello is located in Pittsburgh. They intend to dedicate a staff consisting of 3 Partners, 1 Senior Counsel, 1 Senior Associate, and 1 Associate, with Partner Falco Muscante, Esquire as the primary point of contact. Attorney Muscante focuses his practice in municipal and school district representation and has served as lead negotiator in various collective bargaining negotiations. He also has experience in grievance and arbitration proceedings, Act 111 matters involving public safety unions, and general personnel related litigation. The firm has proposed a rate schedule of \$250/hour/partner, \$200/hour/senior counsel, and \$110/hour/paralegal, with cost reimbursement, as well as \$50/hour for travel time (to and from Pittsburgh).

The second firm, Ufberg & Associates, LLP is located in downtown Scranton. Similarly sized, their staff that would be assigned to the City's representation include 1 Partner, 1 Senior Litigation Counsel, 1 Senior Associate, and 2 Paralegals. Robert Ufberg, Esquire, lead partner, has experience in collective bargaining negotiations, as well as grievance, arbitration, and litigation involving personnel and Act 111 matters, having represented twelve (12) local municipalities in the Northeastern Pennsylvania region. The firm has a proposed rate schedule of \$280/hour/blended and \$80/hour/paralegal, with cost reimbursement and travel costs being imposed only after thirty (30) miles one-way.

Specific to this RFQ, the City is seeking labor counsel for assistance with day-to-day personnel issues as they arise, consultation on human resource guidance, recommendations for best human resource practices and workplace issue prevention, representation in grievance, arbitration, and litigation arising from personnel matters, as well as to serve as a primary representative in the negotiation of the City's Collective Bargaining Agreements with all of its unions, which will occur in the next two (2) years.

The credentials provided by both firms for the attorneys that would be directly responsible for oversight and representation in labor matters were extraordinary and both firms had adequate municipal and labor experience. While fees are comparable, the City anticipates the need for labor counsel to be present on-site a great deal in view of not only routine labor matters, but also upcoming extensive contract negotiations with all its labor unions, and as such, Ufberg & Associates, LLP is the more reasonably priced, as the City will not be subject to additional travel rates of \$50/hour to and from Pittsburgh as it would with Maiello Brungo & Maiello. It is also in the City's best interest to have legal counsel that can be responsive and on-site as expeditiously and routinely as possible as issues arise, with a focus not only on reacting to issues as they arise, but also with the goal of implementing best practices and workplace issue prevention.

To that end, I recommend the contract be awarded to Ufberg & Associates, LLP.

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

January 27, 2020

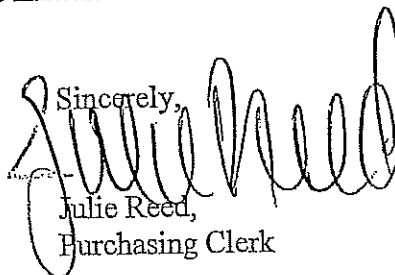
Mrs. Jessica Eskra
City Solicitor
Municipal Building
Scranton, Pa., 18503

Dear Mrs. Eskra,

This is to inform you that RFQ proposals were opened in Council Chambers on Monday, January 27, 2020 at 10:00 A.M. for the **City of Scranton Legal Services Special Labor Counsel**. Please see the attached proposals submitted by the following law firms:

**Maillelo, Brungo & Maillelo
Ufberg & Associates**

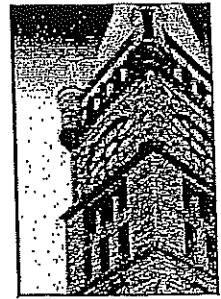
Thank you for your cooperation in this matter.

Sincerely,

Julie Reed,
Purchasing Clerk

CC: Mayor Paige Cagnetti
Mr. John Murray, City Controller
Mrs. Lori Reed, City Clerk
Mr. Patrick Sheridan, Business Administrator
Mrs. Jessica Eskra, City Solicitor
File

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

January 15, 2020

Mrs. Jessica Eskra
City Solicitor
Municipal Building
Scranton, Pa., 18503

Dear Mrs. Eskra,

This is to inform you that RFQ proposals will be opened in Council Chambers on Monday, January 27, 2020 at 10:00 A.M. for the following:

City of Scranton Legal Services Special Labor Counsel

Attached, please find an Invitation to Bidders, Proposal Blank and Specifications.

Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Julie Reed".

Julie Reed,
Purchasing Clerk

CC: Mayor Paige Cagnetti
Pat Sheridan, Business Administrator
Mr. John Murray, City Controller
Mrs. Mrs. Lori Reed, City Clerk
Mrs. Rebecca McMullen, Acting Business Administrator
✓Mrs. Jessica Eskra, City Solicitor
File

REQUEST FOR PROPOSALS/QUALIFICATIONS [SELECT ONE]

Separate sealed proposals will be received by the City of Scranton, 340 North Washington Avenue, Scranton, PA 18503 until 10:00 a.m. January 27, 2010, at which time such proposals will be opened in the City Council Chambers for the following:

CITY OF SCRANTON LEGAL SERVICES SPECIAL LABOR COUNSEL

All proposals shall be in accordance with the provisions of the Request for Qualifications (RFQ) which is now available and can be picked up at the Office of the Bureau of Purchasing, 4th Floor, City Hall, 340 North Washington Avenue, Scranton, PA 18503.

Sealed envelopes containing the proposals will be received and identified by "Proposal - RFQ - City of Scranton - Special Labor Counsel." The envelopes should be delivered or mailed to the Office of the City Controller, at the address listed above, so as to arrive by the date and time specified above. The City of Scranton will require six (6) copies of this proposal as noted in this Request for Proposal.

All scaled proposals must be submitted for the following scope of services: provisions of all labor and employment legal services for the City of Scranton.

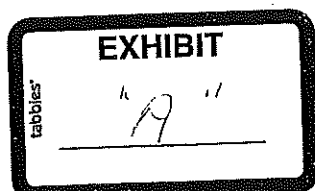
1. The applicant must have fifteen (15) years of demonstrated expertise in all facets of labor and employment law, with demonstrated experience in appellate court practice, knowledge of the workings and function of local and state government. In addition, the applicant must demonstrate specific experience with the Municipalities Financial Recovery Act. Strong preference will be given to those applicants who have experience and/or understanding of the unique culture of the City of Scranton's labor unions. The applicant must have sufficient legal, administrative and clerical support to provide legal services to the City of Scranton. All applicants must identify all attorneys working with the firm and their relative experience; identify all support staff, both administrative and clerical, as well as their relative experience. The applicant must provide a statement of its in-house technology including its current operating system, ability to perform on-line research and all other technology the applicant believes can be utilized in a cost of efficient manner for services to the City of Scranton. Each applicant shall provide a fee schedule of the professional and support staff to be utilized in the execution of this contract. The fee schedule shall include the identity of the professional, that professional's hourly services in conjunction with the contract.

2. Each applicant must also provide his/her current mailing address, location of all offices, e-mail addresses and the phone and fax numbers as part of the proposal. The proposal must likewise identify an individual to be listed as a contact person in the event questions arise concerning the proposal.

THE CITY OF SCRANTON RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS OR ANY PART OF A PROPOSAL IN CONNECTION WITH THE PROJECT.

If you have any questions, please contact Jessica Eskra, Esquire; Deputy Mayor/City Solicitor as noted in the Request for Qualifications.

Jessica Eskra, Esquire



I. GENERAL INFORMATION

A. PURPOSE

This Request for Qualifications (RFQ) provides interested parties with sufficient information to prepare and submit proposals for consideration by the City of Scranton for legal services for special labor counsel.

B. ISSUING OFFICE

1. This Request for Qualifications is issued for the City of Scranton Law Department. The issuing department is the sole point of contact for questions pertaining to this Request for Qualifications.

The sealed proposals must be submitted not later than 10:00 a.m. on January _____, 2020 to:

City of Scranton
Office of the City Controller
2nd Floor
340 North Washington Avenue
Scranton, PA 18503

2. Six (6) copies of the Proposal shall be received in a sealed envelope and must be marked prominently on the outside:

“Proposal – RFQ – CITY OF SCRANTON – SPECIAL LABOR COUNSEL”.

3. Proposals must be mailed or hand delivered. No faxed or e-mailed proposals will be accepted.
4. Proposals will be handled confidentially by the City during the pre-award process.
5. The proposal shall be binding for a period of ninety (90) days from the due date for submission.
6. The City of Scranton will not be responsible for any expenses incurred by a proposer in connection with this procurement.

C. SCOPE OF SERVICES

The City of Scranton is seeking legal representation by a litigation firm with experience in municipal law, Act 111, grievances and interest arbitration, experience in appellate court practice, and knowledge of the workings of local and state government. The applicant must have sufficient qualified legal, administrative and clerical support to provide legal services to the City of Scranton. Strong preference will be given to those applicants who have experience and/or understanding of the unique culture of the City of Scranton's labor unions.

D. TERM

The term of the resulting contract shall be for a period of two (2) years.

E. FEE SCHEDULES

Each applicant shall provide a fee schedule of the professional and support staff to be utilized in the execution of this contract. The fee schedule shall include the identity of the professional, that professional's hourly rate as well as the hourly rate for all other administrative and/or support staff that may perform

services in conjunction with the contract. The award may or may not be made to the firm with the lowest cost.

1. QUESTIONS

Any questions regarding this Request for Qualifications should be directed to the Law Department via email only to:

Jessica Eskra, Esquire
Deputy Mayor/Solicitor
City of Scranton
340 N. Washington Ave.
Scranton, PA 18503
Phone: 570-348-4105
Email: jeskra@scrantonpa.gov

All questions must be received by 2:00 p.m. exactly three (3) days prior to the due date of submissions. Inquiries received after 2:00 p.m. will not receive responses.

No telephone calls with questions will be taken. All inquiries must be sent via email to mmcnichols@scrantonpa.gov.

2. ADDENDA

To ensure consistent interpretation of certain items, answers to questions the City deems to be in the interest of all will be made available to all respondents.

Responses to questions will be issued in the form of an Addendum to the Request for Qualifications.

3. PUBLIC OPENING

Sealed Proposals will be opened publicly at the date and time provided above.

II. GENERAL CONDITIONS

A. No verbal information to bidders will be binding on the City. The written requirements will be considered clear and complete, unless written attention is called to any apparent discrepancies or incompleteness before the opening of the proposals. All alterations to the Request for Qualifications will be made in the form of a written communication emailed to all prospective proposers. The communications shall then be considered to be part of the Request for Qualifications.

B. Submission of a proposal will be considered as conclusive evidence of the proposer's complete examination and understanding of the request.

C. The City of Scranton reserves the right to reject any and all proposals submitted and to request additional information from any Proposer. The City of Scranton reserves the right to waive minor irregularities in the procedures or proposals if it is deemed in the best interests of the City of Scranton. The City may elect, at its sole and absolute discretion, to award a Contract based on the initial proposals, or, to open negotiations, either written or oral, with one or more proposers to address performance, technical, pricing, delivery, or other provisions. If negotiations are opened, the City may elect, at its sole and absolute discretion, to conclude negotiations at any time if it is determined to be in its best interest, or they will be closed upon

settlement of all questions and clarifications. Proposals may be rejected and negotiations terminated by the City. The award will be based on the offers submitted, as well as any and all negotiations conducted. The City further reserves the right to reject all proposals and seek new proposals when such procedure is considered to be in the best interest of the City.

D. The award will be made to that responsive and responsible proposer whose proposal, conforming to requirements of the request, will be most advantageous to the City, price and other factors considered. The award may or may not be made to the firm with the lowest cost.

E. The City shall have the right, without invalidating the contract, to make additions to or deductions from the items or work covered by the Request for Qualifications. In case such deductions or additions are made, an equitable price adjustment shall be made between the City and the Proposer. Any such adjustments in price shall be made in writing.

F. After notice from the City, the selected proposer will be required to enter into a contract upon receipt of a Notice of Award. If a contract is not executed by the selected proposer within sixty (60) days, then the City reserves the right to retract the Notice of Award and enter into a contract with another proposer.

G. Proposals must be in typewritten form. Unsigned proposals will not be accepted. Proposers are expected to examine the content of the request and respond accordingly. Failure to do so will be at the Proposer's risk.

H. No proposal will be accepted from or contract awarded to any person, firm or corporation that is in arrears or is in default to the City upon any contract, or that is a defaulter, as surety or otherwise, upon any obligation to the City or who had failed to faithfully perform any previous contract with the City.

I. Unless otherwise specified, all formal proposals submitted shall be binding for ninety (90) calendar days following the bid opening date and may be extended at the agreement of both parties.

J. AUTHORITY

The City Solicitor, as the designee of the Mayor, has the sole responsibility to respond to inquiries regarding the Request for Qualifications. Representations from any other individual are not binding on the City.

K. COMPLIANCE WITH LAWS

The firm selected for representation shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, City and other local government agencies, which may in any manner affect the performance of the contract. The firm selected must also observe and comply with the City of Scranton Code of Ethics.

L. CONTRACTOR COMPLIANCE

If applicable, each respondent is required to be in compliance with the City of Scranton local tax requirements.

M. CONTRACT TERMINATION

A contract may be canceled by the City by giving the respondent written notice of intent to cancel.

N. CONTROLLING LAW

This Request for Qualifications is governed by, and will be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania without regard to any conflict of law provisions.

O. PROPOSAL INSURANCE REQUIREMENTS

Certificate of Insurance. A certificate of insurance of the prospective bidder's insurance coverage is required by the City of Scranton. The City requires the successful bidder to carry Professional Liability insurance at the minimum of \$1,000,000 occurrence/aggregate. All insurance coverage must be kept in effect during the contract period. The loss of insurance coverage could result in voiding the contract.

P. BIDDER'S ETHICS AND COLLUSION

Collusive Bidding: Any firm that submits more than one proposal in such a manner as to make it appear that one of the proposals submitted is competitive with that of a different proposer, or any two or more firms that agree to fix their respective proposals in such a manner as to be awarded the contract shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Bribery: Any firm that attempts to influence a City official to award this contract to such proposer's firm by promising to provide or by providing to such City official any gratuity, entertainment, commission or any other gift, in exchange for a promise to award the contract to such firm shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Conflict of Interest: Any firm that knows of any City official having a material direct or indirect financial interest in such proposer's firm shall be required to submit a written statement, along with the Form of Proposal, detailing such interest. Failure to disclose a known such financial interest shall result in the firm's disqualification from further consideration of award of this contract.

Q. INDEMNIFICATION

The Proposer shall indemnify, defend, and hold harmless the City from and against any and all claims and actions, based upon or arising out of damage to property or injuries to person or other acts caused or contributed to by Proposer or anyone acting under the Proposer's direction or control or on the Proposer's behalf in the course of the Proposer's performance under this contract. This indemnity is limited to the extent of the limits of Proposer's legal liability under law and is subject to the limits of the Proposer's insurance coverage.

R. OPEN RECORDS LAW/PUBLIC INFORMATION

Under the Pennsylvania Right-to-Know Law (the "Law"), 65 P. S. Section 67.101 et. seq., a record in the possession of the City is presumed to be a public record subject to disclosure to any legal resident of the United States, upon request, unless protected by a statutory exception.

Any contract dealing with the receipt or disbursement of funds by the City or the City's acquisition, use or disposal of services, supplies, materials, equipment or property is subject to disclosure under the Law. The following are not subject to disclosure under an exception in the Law:

1. A proposal pertaining to the City's procurement or disposal of supplies, services or construction prior to the award of a contract or prior to the opening and rejection of all bids; and
2. Financial information of a bidder or proposer requested in an invitation to bid or request for proposals to demonstrate the bidder's or proposer's economic capability.

S. TRANSFERS AND ASSIGNMENTS

1. Consultant shall not, without written consent of the City, assign, hypothecate or mortgage this agreement. Any attempted assignment, hypothecation or mortgage without the consent of the City shall render this agreement null and void.

2. Neither this agreement nor any interest therein shall be transferable in proceedings in attachment or execution against bidder or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against the respondent, or by any process of law including proceedings under Chapter X and XI of the Bankruptcy Act.

III. PROBLEM STATEMENT

The Request for Qualifications format for professional services enables the City to thoroughly evaluate the conditions for selection such as prior class action legal experience with sufficient flexibility in awarding the contract.

A. REJECTION OF PROPOSALS

The City of Scranton reserves the right to reject any and all proposals received resulting from this request and to negotiate with those respondents deemed finalists.

B. INCURRING COSTS

The City of Scranton will not be liable for costs incurred by the selected proposer prior to the issuance of a contract.

C. PRE-PROPOSAL CONFERENCE

A pre-proposal conference will not be held.

D. REFERENCES

As a requirement for consideration, proposals must include at least two (2) references, including contact information, who can attest to the attributes of the proposer. Experience in class actions and/or litigation relating to opioids will be given greater consideration in the evaluation of the proposals.

IV. CRITERIA FOR SELECTION

A. EVALUATION PROTOCOL

All proposals received by the City of Scranton will be reviewed by the City Law Department. The Law Department will review the merits of content and select the proposal which most closely meets the requirements of the Request for Proposal. The final selection may not be the lowest cost proposal but that which most closely meets the requirements of the City.

B. SELECTION BASED ON QUALIFICATIONS

The proposal selected by the City Law Department will be deemed to respond most favorably to the requirements of the Request.

V. PROPOSAL REQUIREMENTS

Proposals must meet the identified criteria and format. Consideration will be based on compliance with those requirements. All other information considered relevant by the proposer will be included as addenda information to the proposal.

A. STATEMENT OF SERVICES RENDERED

The proposer will identify the scope of services provided to represent the municipality in labor matters.

B. MANAGEMENT SUMMARY

Provide a narrative description of the proposed effort and a list of services delivered by the proposer.

C. EXPERIENCE

Include examples of experience as a legal representative in any labor matters. The documentation of experience should include primary and secondary legal representation, if applicable, and any pertinent experience of the support staff. References related to prior activities should be listed in the addenda section, including contact information.

D. PERSONNEL

Include the names of executive and professional personnel who will be assigned to the activities of the City of Scranton, including attorneys and support staff. Resumes for those assigned directly to the activities of the City may be included in the addenda section.

E. COST AND PRICE PROPOSAL

Fees should be solely in the form of billable hourly rate plus costs. Varying billable rates between partners, associates, and support staff should provide, along with all reimbursable costs to be billed.

F. AFFIDAVITS

The following affidavits are required by the City of Scranton:

- Affirmative Action Certificate
- Certificate of Non-Segregated Facilities
- Non-Collusion Affidavit

G. CONTRACT

The party selected for legal services will execute the City of Scranton's standard professional services contract.

H. INSURANCE COVERAGE AND OTHER REQUIREMENTS

All proposals submitted to the City of Scranton shall include the following:

- Certificate of Insurance. A certificate of insurance of the prospective bidder's insurance coverage is required by the City of Scranton. The City requires the successful bidder to carry professional Liability insurance at a minimum of \$1,000,000 occurrence/aggregate. All insurance coverage must

be kept in effect during the contract period. The loss of insurance coverage could result in the contract termination.

- A statement of assurance attesting that the prospective proposer is not currently in violation of any regulatory rules and regulations that may impact its operations;
- A statement that the prospective proposer is not involved in any current litigation against the City of Scranton.

Attachment A. Affirmative Action Certification

During the term of this contract, Bidder agrees as follows:

- (1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
- (2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
- (3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement or other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
- (4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
- (5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
- (6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's

noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

- (7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.
- (8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
- (9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
- (10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: _____

(Name of Bidder)

BY _____

TITLE _____

Attachment B. Certificate of Non-Segregated Facilities

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: _____

(Name of Bidder)

BY _____

TITLE _____

Attachment C. Non-Collusion Affidavit of Prime Bidder

STATE OF _____

COUNTY OF _____

_____, being
first duly sworn, deposes and says that:

1. He is _____
(Owner, partner, officer, representative or agent)

of _____, the Bidder that has
submitted the bid;

2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

Non-Collusion Affidavit
Signature Page

Signed _____

(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS _____ DAY OF _____
_____, 20_____

(TITLE)

MY COMMISSION EXPIRES _____
_____, 20_____

LAW OFFICES
UFBERG & ASSOCIATES LLP
310 PENN AVENUE
SCRANTON, PENNSYLVANIA 18503
PHONE (570) 341-8800 FAX (570) 341-8801

ROBERT UFBERG
MARY WALSH DEMPSEY
JOHN T. ELLIS*

* ALSO ADMITTED IN NEW YORK

ROBERT UFBERG, ESQ.
RUFBERG@UFBERGLAW.COM

January 27, 2020

By Hand Delivery

Jessica Eskra, Esquire, City Solicitor
John Murray, Controller
City of Scranton
c/o Office of the Controller
340 North Washington Ave. 2nd Floor
Scranton City Hall
Scranton, PA 18503

RE: Proposal for Legal Services for Special Labor Counsel

Dear Ms. Eskra and Mr. Murray:

I'm pleased to present this proposal on behalf of our firm, Ufberg & Associates, LLP, setting forth our interest and qualifications to serve as Special Labor Counsel for the City of Scranton. Our firm is comprised of attorneys and support staff highly knowledgeable and qualified in the practice of labor and employment law for Management (Employers) in both the public and private sectors. Our credo is *commitment to client service and partnership with our clients* in solving and resolving their workplace legal issues, by providing timely, sound advice, effective guidance, and vigorous, thorough representation.

We are situated in Scranton, blocks from City Hall, and are uniquely qualified to provide the City's labor and employment legal services. Complementing our proficiency in this area of law (all we do, with rare exceptions for just a few long-standing clients) is our commitment to integrity, as reflected by our 40-plus years holding an AV (highest possible) professional rating and our national recognition by highly respected professional organizations like WORKLAW, Martindale-Hubbell and Chambers. We work closely with our clients' executive, management and human resources teams (unionized and non-union) on everything from workplace issue prevention to statutory, contract or human resource-oriented guidance to dealing with urgent, hot-button labor issues. When labor/employment disputes or potential litigations arise, we seek positive early resolution opportunities but are also *always* prepared for the litigation that will ensue if the issue cannot – or should not – be settled. Perhaps our greatest strength lies in our dedication to proactivity, strategic workforce planning and creativity in dealing



with those difficult issues that keep CEOs - and Mayors and Councilpersons - up at night. A strong sense of that can be gleaned by observing our longstanding client relationships (20 to 35 years, some longer) with many of our area's largest, most respected businesses, in all sectors and industries. At the risk of affecting pretentiousness, I am confident that a check with our references or others in the region's legal and business communities would further confirm our standing in this area of the law.

A. Statement of Services Rendered

Ufberg & Associates will, upon potential engagement by the City, counsel and advise its elected officials and Management on its full range of labor and employment law issues, ranging from *the day-to-day* (e.g., labor contract administration, employee discipline, policy and rules enforcement, and recurrent issues such as wage/hour compliance and employee leave time) to *the urgent or exigent* (e.g., threats of work stoppage, alleged safety violations, drug/alcohol issues, workplace harassment, to name a few) to *everything in between* (e.g., employment litigation and, more generally, compliance with state and, where applicable, federal employment statutes, such as PA Human Relations Act, PA Minimum Wage Act, PA Acts 111 and 195, FMLA, ADA and integration, where applicable, with the PA Municipalities Financial Recovery Act).

Regardless of the issue, our goal is to be proactive and strategic whenever possible, strong and aggressive where necessary -- but always complete and accurate with our advice and our rationale.

Our attorneys have extensive experience negotiating and assisting with application of labor agreements and practicing before the various state and federal courts, administrative agencies, and labor arbitrators and mediators. Bob Ufberg focuses on union-related issues and assisting employers to formulate mid-to-long term labor and employee relations strategies; Mary Dempsey concentrates on labor litigations; and John Ellis focuses on administrative compliance with the panoply of state and federal labor regulations. Our Training Division provides training for managers and supervisors on vital labor and employment topics such as Effective Supervision; Preventing, Identifying and Handling Workplace Harassment and Discrimination Issues; Conducting Workplace Investigations; and FMLA and ADA issues.

We always aim to prevent relatively minor, manageable issues from erupting into larger problems and to reduce clients' costs and exposures by early, active issue management. We intend to assist with - and have enjoyed considerable success with - encouraging aggressive but sound labor contract administration, and while we certainly endorse early (pre-arbitration) grievance resolutions where appropriate and beneficial, we also always prepare thoroughly for arbitration (or other litigation) when an issue cannot (or should not) be resolved by settlement. We believe the proximity of our

downtown Scranton office, literally blocks from City Hall, facilitates our ability to provide such assistance to the City administration, as needed.

We maintain a full labor and employment law subscription to Bloomberg Law, which we, like many if not most labor and employment law firms around the country, have found provides the best, easiest-to-use labor and employment-related online (electronic) legal research platform. Beyond statutes, regulations and court and agency decisions and summaries, our subscription includes access to arbitration awards; arbitrator profiles (including breakdowns of how particular labor arbitrators rule); sample clauses; legal comparison charts; and an excellent, comprehensive library of secondary sources on labor and employment legal issues. Our firm has a strong Windows-based network computer architecture and uses cloud-based computing resources; we utilize Microsoft Office 365 for internal office applications. To ensure that our computing resources are always operational, our firm has, for over 20 years, had an IT consultant on retainer, MNP Associates, contracted to be available to us on a 24/7 basis. Mr. Nelson Pinto, President of MNP Associates, maintains an office on our premises and is present here multiple days every week. They keep our systems up to date by regularly performing hardware and software maintenance and by regularly repairing, enhancing or replacing equipment. This structure ensures that we are always operational, and operate in the most effective, efficient, and cost-effective way for ourselves and our clients.

B. Management Summary

Our firm proposes to partner with the City of Scranton to help transform its labor and employment relationships to be more favorable to the City and the taxpayers. To do that we will apply our knowledge, experience and expertise in labor and employment law as well as the related disciplines of labor and employment *relations*. Upon our cursory review of the City's collective bargaining agreements and overall human resource functions, it seems that the City's labor and employment structure needs shoring up. As an example, the City appears to lack basic managerial workforce tools, like up-to-date employment policies, accurate job descriptions and an Employee Handbook. Likewise, an initial review of the City's labor agreements suggests that they are skewed in favor of the employees, although a true conclusion can only be made after an objective department-by-department evaluation of the workforce and its related performance and costs, each job's wages and benefits, the language of each labor contract, market forces and, very primary, the City's finances. Corrections, perhaps significant, may need to be made.

Given all that the City faces, we see this as a moment that can and should be transformative for it. If that is the City's will, our firm is on board with, and we believe perfectly suited for, the task. As noted previously, we propose representing the City on all of its labor and employment matters and all aspects of its employment relationships, e.g., including labor negotiations, interest arbitrations, issues arising under Act 111 and

Act 195, matters before the PLRB, PHRC, PA DOL and other state (and, where applicable, federal) agencies and before courts of law, employee discipline and discharge (including Loudermill hearings); matters involving employee harassment, discrimination and retaliation; grievances, arbitrations, unfair labor practice charges, and employee benefits, except pension and other retirement plans, where ERISA counsel is required. In addition, we would endeavor to provide managerial training on labor and employment-related topics, and guidance on labor/employment-related Pa. Right to Know issues; prepare contracts; counsel and represent the City on civil rights issues; and take an active role in workers compensation and Heart and Lung Matters.

As noted in Section A above, Ufberg & Associates LLP prides itself on being a full-service Management Labor firm, dealing with everything from typical day-to-day workplace issues to more tailored services to employment litigation of all stripes and varieties to emergencies (which always occur in this field), where we are notorious for responding promptly. In particular, Bob Ufberg focuses on assisting employers to formulate mid-to-long term labor and employee relations strategies, and our client training division provides outstanding training for managers and supervisors on vital labor and employment topics such as Effective Supervision; Preventing, Identifying and Handling Workplace Harassment and Discrimination Issues; Conducting Workplace Investigations; and Successful Employee Discipline Programs. Whether dealing with unions and labor contracts, grievances, union arbitrations, interpretation and management of collective bargaining agreements, difficult employees, helping to avoid employment discrimination or projecting the impact of statutory or regulatory changes; our goal is to be proactive and strategic whenever possible, strong and aggressive where necessary – but always as complete and accurate as possible with our advice and rationale.

We always aim for active and early issue management to prevent relatively minor, manageable issues from erupting into larger problems, and to reduce the client's out-of-pocket costs and exposure. We have enjoyed considerable success in assisting our clients with administering labor contracts and effectuating early (pre-arbitration) grievance resolutions where favorable to our clients but prepare thoroughly for arbitration or other litigation where an issue cannot (or should not) be resolved by settlement.

C. Experience

As a Management labor and employment law firm rooted for over 40 years in Scranton, Ufberg & Associates clearly has a unique understanding of the culture of the City of Scranton as well as of its unions. As noted above, we have substantial experience working with public sector clients and knowledge of, as well as a vested interest in, the success of our local municipal government. Our firm's business model is grounded in creating and maintaining close partnerships with our clients through a collaborative process, so that we can provide timely, sound and progressive legal

advice and broader legal and labor/employment relations services covering the gamut of labor and employment issues, such assistance in creating and enforcing workplace policies, management training, assistance with workplace investigations, grievance handling, and the like. We will provide legal representation in the City's labor and employment matters, such as handling issues and negotiations under PA Acts 111 and 195, including, interest arbitration, discipline issues, Loudermill hearings grievances and unfair labor practice charges. In addition, we would provide representation in any discrimination allegations or complaints arising through the PHRC or EEOC. We will also provide guidance on Pa. Right to Know issues, preparation of employment contracts, and civil rights issues. We will take an active role in workers compensation and Heart and Lung cases that arise for the City.

We believe our experience and reputation is best conveyed by providing you with a selective sampling of current clients where our work has been intense and transformative, below:

Private sector: These include leading employers, unionized and non-union, here in Northeast Pennsylvania and in other areas/states, including Allied Services, Kane Is Able, Inc., Benco Dental Company, Dempsey Uniform and Linen Supply, Offset Paperback Mfrs., Inc. (a division of Bertelsmann SE & Co.), Lackawanna College, Milton Steel Company, The Scranton Times/Times-Shamrock Communications, EIHAB Human Services, The Virgin Islands Daily News, and Friendship House/The Advocacy Alliance. Our firm also represents the Scranton-Lackawanna Human Development Agency (SLHDA) - a private not-for-profit corporation operating in several NE PA counties whose funding and other interrelationships with state and federal agencies are akin to those applicable to municipalities like the City of Scranton. There, too, our work has been intense and transformative.

Public sector: Our firm has long represented public employers, including Lackawanna County - all of its entities - on two separate occasions, for a total of 12 years and the Wilkes-Barre/Scranton International Airport for over 30 years. We guided the Airport through strong but appropriate, and fully successful, Management action in response to a New Year's Day strike a number of years ago (including permanent replacement of strikers; and unilateral imposition of the Airport's Final Offer after the unionized employees offered to return unconditionally). Through a series of litigations - before arbitrators, the PLRB, the Commonwealth Court, the Unemployment Compensation Board of Review and the PA Supreme Court - some of which are renowned, the Airport was successful in each case: the replacements were ruled lawful as were the other actions taken by the Airport; strikers who engaged in misconduct were terminated; and all strikers were denied unemployment benefits.

Over the years we performed labor and employment work for various municipalities, including at various times the Boroughs of Olyphant, Archbald, Jessup, Moosic, Tunkhannock and Duryea, Stroudsburg and East Stroudsburg; Westfall and Newton Township and the City of Carbondale. Then in about the mid 2000's, our firm discontinued our municipal practice because we had by then undertaken the labor and employment representation of all hospitals in Northeast PA excepting only for Geisinger. The commitment was extensive - massive. It included: The Mercy Hospital System (including its unionized hospitals in Scranton and Wilkes-Barre, a unionized nursing home in Nanticoke, and other unionized NE PA medical facilities); the Wyoming Valley Health Care system (Wilkes-Barre General Hospital, First Hospital, and related facilities, involving at least four labor agreements); Community Medical Center (Scranton, Mid Valley Hospital and another "Up-Valley" facility - involving two labor agreements); Moses Taylor Hospital (Scranton) - we worked to maintain its union-free status; Tyler Memorial Hospital (Tunkhannock) - we rebuffed a union organizing drive and worked to maintain its union-free status; and Wayne Memorial Hospital System (Honesdale), including the Hospital, nursing home and related facilities - involving two labor agreements. All told, I had, through representing these various hospitals, labor counsel responsibility for well over a dozen hospital collective bargaining agreements in NE PA, and many challenging issues. This was in addition to our regular, longstanding labor and employment clients (union and non-union), virtually all of whom we still represent unless out of business. We also were engaged during this period to do the labor work for some Catholic Healthcare Partners ("CHP" - Mercy's parent) health care facilities in Ohio and Western PA, and, later, spinoff work for hospitals in Florida, Texas and elsewhere. Between 2010 and 2012, due to the multiple inter-related hospital mergers and acquisitions that took place here in NE PA, i.e., CHS (a/k/a Commonwealth Health) acquiring Mercy, Wyoming Valley, Tyler and Moses Taylor; and Geisinger acquiring the CMC entities, all independent local hospitals were eliminated, and likewise local representation was extinguished for all but the one still-independent local hospital, Wayne Memorial Hospital, which we continue to represent.

In 2015, upon request, our firm agreed to accept representation of the Borough of Dunmore, which has four (4) labor agreements, including one for its Police Department and one for its Fire Department. In the last 5 years, with our guidance the Borough has considerably improved its contract administration, grievance arbitration record, and contracts, including those under Act 111 (Police, Fire). Our firm is now committed to fully reinstating our municipal practice and are excited about the opportunity to meet the City of Scranton's labor and employment law needs, which we know are profound in this challenging period.

This firm is familiar with the City's labor agreements and what has been referenced as "the unique culture of Scranton's labor unions". Our firm has worked in this milieu for over 40 years. This firm has a long history of handling virtually any

and every type of public sector labor and employment case, including, for example, hearings before the Pennsylvania Labor Relations Board (labor contract issues), the PA Department of Labor, Bureau of Labor Law Compliance (PA Equal Pay Act, Minimum Wage and Overtime compliance, etc.), and the PA Unemployment Compensation Board of Review (unemployment compensation issues), to name a few.

Our three lead attorneys, each with a distinct primary area of responsibility, together provide extreme knowledge and capability in all facets of labor and employment law.

D. Personnel

Although the resume for each of our lawyers is attached a brief bio for each lawyer is listed below. Each is a member in good standing of the Pennsylvania Bar (John Ellis is also licensed in New York State). Our attorneys are all members of both the Pennsylvania Bar Association and the Lackawanna County Bar Association (Atty. Dempsey is the current President of the Lackawanna County Bar Association). Because we are a dedicated Management firm, all can be expected to provide services to the Borough at one time or another, typically within their specified areas of expertise:

Robert Ufberg, Managing Partner – Bob would be one of the Principal Professionals responsible for all services required under the contract. Bob is the founder and Managing Partner of Ufberg & Associates LLP. He has been counseling and representing employers in various industries in their labor and employment issues since 1976. Representative industries in which he regularly practices include health care, municipal/public sector, human and social services, manufacturing, construction, education and transportation. Perhaps best known for his labor contract negotiations, Bob also litigates labor cases in all forums, including state and federal courts, federal and state labor boards and administrative agencies, and labor arbitrators, and focuses on working with employers on their mid-range and longer-term labor strategies.

Bob was born and raised in Shenandoah, PA, and is a graduate of Muhlenberg College and Villanova University School of Law. He is admitted to the Pennsylvania bar, various federal district and appellate courts, and specifically in several other states around the country for specific trials. He lectures on labor and employment topics to lawyers through various federal, state or county bar associations, and to executives, managers and human resources professionals on behalf of organizations and trade associations such as the American Arbitration Association (AAA), the Society for Human Resource Management (SHRM), the National Academy of Arbitrators, the Pennsylvania Newspaper Association, and the Volume Mailers Group.

Bob is a member of and has served on the boards of various civic and religious organizations in the community, currently including the Greater Scranton Chamber of Commerce and the Scranton Cultural Center. In 2016, PA Governor Wolfe appointed Bob as Chair of the Northeast Regional Judicial Advisory Commission, responsible to make recommendations to the Governor for appointment to Judicial (Common Pleas) and Magisterial vacancies in the Northeast corridor of the state, ranging from Lehigh and Northampton County to Pike County, and west to Northumberland and Columbia Counties. (In Lackawanna County, Hon. Julia Munley was the Commission's designee; she was appointed, confirmed, and has now served on the Bench for over two years.) Bob takes great pride in his family, his work and in the legal profession.

Mary Walsh Dempsey – Senior Litigation Counsel – Mary has been associated with Ufberg & Associates LLP as senior litigation counsel since 2012. She commonly litigates all types of employment related matters in State and Federal Court and provides training for management and employees on many diverse topics including developing workplace issues such as civility in the workplace, sexual harassment, performance management, and workplace violence. In addition, she works with companies very closely to handle workers' compensation matters, grievances and provides support on labor and employment cases before the National Labor Relations Board, the Pennsylvania Labor Relations Board, the U.S. and PA Departments of Labor, and various other federal and state labor and employment agencies.

Mary maintains extensive Appellate Court experience including extensive oral argument(s) regarding employment matters in front of the Commonwealth Court including one case where the Commonwealth Court heard Atty. Dempsey's constitutional challenge argument to certain section of the Pa. WC Law. The Commonwealth Court heard the argument, "en banc" and the extended oral argument appeared on PCTV. This same oral argument was chosen as an example of effective appellate advocacy by Commonwealth Court Judge(s), for inclusion in a Continuing Legal Education Course for lawyers entitled "Advanced Appellate Advocacy."

Prior to joining the Ufberg firm, Mary spent 20 years as a partner at O'Malley & Langan P.C., where she actively litigated employment matters on behalf of plaintiffs/claimants involving the PA Workers' Compensation Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the PA Human Relations Act, Title VII of the Civil Rights Act and the Fair Labor Standards Act. She also maintained a general civil litigation practice while at O'Malley & Langan including some Class Action litigation.

Mary continues to speak on a local, state and national levels regarding employment law. She has also authored or co-authored numerous articles on multiple topics regarding employment law.

John T. Ellis, Senior Associate. John joined Ufberg & Associates LLP in 2006. Prior to joining the firm, he served as a law clerk for Richard V. Rappaport & Associates, a Long Island law firm specializing in employment law. John advises organizations on employee misconduct and discipline, contractual grievances, internal investigations, grievances, leave & disability questions, employee and labor relations, wage & hour investigations, unemployment compensation, right-to-know responses, non-profit governance, and other issues. He drafts employment contracts, independent contractor and temporary staffing contracts, employee discipline, ADA and FMLA communications, restrictive covenants, workplace policies, briefs, and other contractual and litigation documentation. John represents employers at proceedings related to labor relations, unemployment compensation, and tax appeals. He also conducts training for management on compliance and human resources issues.

John holds both an undergraduate degree and a master's degree in history from the University of Scranton. He is a graduate of the Hofstra University School of Law.

Amanda D. Russell, Paralegal. Amanda joined the firm in April 2007. She assists the attorneys in the office in a range of duties including: drafting discovery, pleadings, collective bargaining agreements, etc.; preparing for/attending bargaining sessions, trial, various hearings and seminars as support for attorneys; performing various filings/ECF filings in federal/state/appellate courts and state/federal agencies (PHRC, AAA, EEOC); communicating directly with clients, opposing counsel, courts, state/federal agencies; and legal research. She has been a Paralegal for 25 years and has worked in various areas of law including labor and employment, insurance defense (Nationwide Insurance in-house counsel, PA), civil litigation/insurance defense/medical malpractice (DiCaro, Nield & Coppo, San Diego, CA), and securities/investment recovery/personal injury (Investors Rights Association, Inc./Law Offices of Carl A. Grubbs, San Diego). She is a graduate of Glassboro State College (nka Rowan University) and received her paralegal certification through the ABA approved Graduate Level Lawyer's Assistant Program from the University of San Diego.

Amanda Byron, Paralegal, since 2014. Amanda performs receptionist work, including typing, answering phones, faxing and filing. She also enters the billing for clients using Timeslips. Amanda prepares, edits and proofs legal documents and correspondence for employment labor law-related matters in state and federal courts in Pennsylvania, including actions before the EEOC and the PHRC, as well

as assists in the drafting/editing of employment agreements, pleadings, answering discovery and she performs legal research.

Kathleen Dempsey, Controller, since November 2002. Kathy oversees all financial and administrative operations for the firm and handles all accounting functions including Banking Relationships, 401K Administration, Outside Accounting Firm Coordination, all phases of Insurance procurement i.e. Health, Liability, Life, Short Term and Long-Term Disability, Malpractice. Kathy also supervises all administrative staff. Prior to joining Ufberg & Associates, Kathy accumulated 30 years of experience as a seasoned Senior Financial Manager working for Purolator Courier Corporation.

E. Cost and Price Proposal

We propose a blended hourly rate of \$280.00/hour, and paralegal rates of \$80.00/Hour. This is significantly reduced from our applicable regular hourly billing rates (Bob Ufberg: \$435/hr; Mary Walsh Dempsey: \$300/hr; John Ellis: \$250/hr; paralegals: \$85-100/hr) and is offered in recognition of the City's ongoing status in financial recovery under Act 47. We want to partner with the City in that regard.

Out-of-pocket expenses (e.g. computerized legal research, travel, court or administrative tribunal filing fee costs, duplication costs, etc.) will be billed separately. Photocopying costs will be billed at the rate of \$0.25 per copy. Travel Costs beyond 30 miles one way will be billed consistent with IRS calculation rates.

F. Affidavits

Attached are the affidavits including the Affirmative Action Certificate, Certificate of Non-Segregated Facilities and the Non-Collusion Affidavit.

G. Ufberg & Associates, through its Principal, Robert Ufberg, is willing and able to execute the City of Scranton's Standard Professional Services Contract.

H. Insurance Coverage and other Requirements

Attached are:

- i. the Certificate of Insurance, naming the Insured, Ufberg & Associates, and also showing proof of \$1,000,000 coverage per occurrence/aggregate. Ufberg & Associates agrees to keep all relevant Insurance policies in effect during the two year contract period.

- ii. A statement of Insurance attesting that the prospective proposer is not currently in violation of any regulatory rules and regulation that may impact its operations; and
- iii. A statement that the prospective proposer is not involved in any current litigation against the City of Scranton.

I. References

Mr. George Rable
Vice President of Human Resources
Benco Inc.
Phone: (570) 602-6858

Mr. Andrew Check
Director of Human Resources
Offset Paperback
Phone: (570) 674-9477

Mr. Alex Hazzouri
CEO Friendship House
Friendship House
Phone: (570) 510-1338

Mr. William P. Nish
Director of Human Resources
Scranton Times
(570) 348-9181

Atty. Larry Durkin
Durkin MacDonald Law Firm
(570) 558-1500

- J. Respondent can affirmatively state that (i) neither the firm, nor any of the Attorneys are a Defendant in any litigation at all, nor have they been the subject of any Disciplinary Action; (ii) that there are no investigations or litigation matters, involving the Respondent, its Directors, Officers or Principals and (iii) there is no conflict of interest of which our firm has current knowledge that would prohibit Ufberg & Associates LLP, or any of its attorneys, from being appointed as Labor and Employment Counsel for the City of Scranton.

Jessica Eskra, Esquire, City Solicitor
John Murray, Controller
City of Scranton
January 27, 2020
Page 12

Current Mailing Address

Ufberg & Associates
310 Penn Ave.
Scranton, PA 18503

We look forward to speaking, and/or personally meeting, with you and note that any additional inquiries can be directed to either Robert Ufberg at 570-341-8800.

Thank you.

Very truly yours,

UFBERG & ASSOCIATES LLP



Robert Ufberg, Esquire

ROBERT UFBERG

UFBERG & ASSOCIATES LLP
310 Penn Avenue
Scranton, PA 18503
(570) 341-8800
Email: rufberg@ufberglaw.com

Experience

Ufberg & Associates, LLP – Founder and Managing Partner

Scranton, PA: 1996 - Present

- Conducts collective bargaining negotiations and counsels clients on union organizing and labor relations issues.
- Crafts and implements workforce planning and strategies including contract negotiation and administration of labor contracts, on legal compliance issues and all employee relation issues, workforce management, arbitration and litigation and other labor law issues in both private and public sectors.
- Counsels and represents clients in the full array of workplace-related legal issues, including discrimination and harassment, collective bargaining and labor board matters, compensation and benefits (executive and hourly), and supervisory training.
- Provides daily consultation and advice to HR Professionals and Executives/Managers including employee misconduct and discipline, progressive discipline matters, internal grievance proceedings, labor contract interpretation, safety policies, leave & disability issues, short term disability, long term disability, FMLA issues, health insurance and wage and hour issues.
- Presents on workplace legal topics to clients, the legal community, management and human resources groups, and to national organizations such as the National Academy of Arbitrators, the Federal Mediation and Conciliation Service, the American Arbitration Association, and the National Center for the Study of Collective Bargaining in Higher Education and the Professions.
- Litigation of labor cases before state and federal courts, labor boards, labor arbitrators, and administrative agencies.
- Works with companies to provide creative, effective, and proactive solutions to workforce management challenges and their attendant legal issues.

Rosenberg & Ufberg - Founding and Senior Partner

Scranton, PA: 1978—1995

- Litigation of labor cases before state and federal courts, labor boards, labor arbitrators, and administrative agencies.
- Conducted collective bargaining negotiations and counselled clients on union organizing and labor relations issues.

- Crafted and implemented workforce planning and strategies including contract negotiation and administration of labor contracts, on legal compliance issues and all employee relation issues, workforce management, arbitration and litigation and other labor law issues in both private and public sectors.

Education

Villanova University School of Law, *Villanova, PA*

Muhlenberg College, *Allentown, PA*

MARY WALSH DEMPSEY

UFBERG & ASSOCIATES LLP

310 Penn Avenue

Scranton, PA 18503

(570)-341-8800 (PHONE)

(570) 341-8801 (FAX)

mwdempsey@ufberglaw.com

Experience

Ufberg & Associates, LLP – Senior Litigation Counsel

Scranton, PA: 2012- Present

- Workers Compensation defense practice for numerous self-insured clients and carriers including heart and lung
- Interaction with businesses and companies (of various sizes) to provide creative, effective, and proactive solutions to workforce management challenges and their attendant legal issues including workers compensation risk analysis and creation of light duty programs
- Defense litigation of all employment-related matters including discrimination cases, civil rights litigation and first amendment litigation in state and federal courts in Pennsylvania; including the drafting of pleadings, preparing and answering discovery, taking and defending depositions, performing legal research, selecting and deposing experts, attending mediations and arbitrations and trying cases
- Interaction with DOL investigators to provide documents and appropriate witnesses in FMLA and FLSA investigations on behalf of corporate clients
- Experience dealing with EPLI
- Creation and review of Employment Agreements and other contractual documents
- Extensive Litigation experience in Lackawanna State Court and Middle District of Pa. Federal Court
- Interaction with EEOC and PHRC investigators including preparing Answers to Discrimination Complaints, providing the relevant investigatory documents, and attending fact finding and mediation conferences.
- Provide counseling, advice and consultation to a multitude of employers, including corporate clients and healthcare organizations, on legal compliance issues and all employee relation issues
- Provide daily consultation and advice to HR Professionals and Executives/Managers including employee misconduct and discipline, progressive discipline matters, internal grievance proceedings, unemployment compensation, workers compensation/light duty, HIPPA, safety policies, leave & disability issues, short term disability, long term disability, FMLA issues and wage and hour issues.
- Conduct internal investigations into harassment, discrimination and retaliation issues for corporate clients
- Preparation of employee handbooks
- Experience in Municipal/Borough Law
- Conduct client training on proper investigation of employee misconduct issues, harassment and discrimination, disability accommodation, wage and hour issues, workers compensation and other emergent legal topics.

- Work with numerous governmental agencies, public employers and private employers to provide solutions to complex problems, employee discipline issues
- Familiarity with the Loudermill hearing(s) and processes
- Experience with grievances and arbitrations
- Experience with Right to Know matters and appeals

SCRANTON CITY COUNCIL

August 2019 to January 2020

- Experience with the Municipalities Financial Recovery Act
- Legal review of ordinances, resolutions and contracts
- Knowledge of the workings and functions of local and state government
- Knowledge of Right to Know & contracts
- Knowledge of government ethics laws

O'Malley & Langan, P.C.

Scranton, PA: 1991 - 2012

(Partner: 1995 – 2012; Associate Attorney: 1991 - 1995)

- Active Workers Compensation practice including the initial evaluation of cases, drafting, filing and answering petitions, preparing clients for testimony and/or hearing, extensive review and evaluation of medical records, researching and writing findings of facts and conclusions of law, selecting and deposing medical experts, taking and defending medical and lay depositions, attending hearings and mediations, negotiating settlements, extensive appellate practice including writing appellate briefs and presenting oral argument to the Workers Compensation Appeal Board as well as the Pennsylvania Commonwealth Court (*80% of practice devoted to Workers Compensation*)
- Enforcement of employees' rights under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, The Family and Medical Leave Act, the Pennsylvania Human Relations Act, the Pennsylvania Minimum Wage Act and the Fair Labor Standards Act and other employment-related litigation
- Handling of administrative actions at the EEOC and the PHRC level on behalf of Claimants
- Responsibility for all aspects of employment litigation, workers compensation litigation, motor vehicle litigation, wage and hour litigation, class action litigation, product liability litigation, first amendment litigation, civil rights litigation and social security disability litigation, including pre-suit discovery, preparation and filing of all pleadings, taking and defending depositions, performing legal research, selecting and deposing experts, handling all discovery, motions for summary judgment, and the final trial of cases in state and federal court
- Extensive experience handling appeals in front of the Commonwealth Court of Pennsylvania including oral argument
- Founder of the "Employment Discrimination Center", a subsidiary of O'Malley and Langan, P.C. handling all aspects of employment discrimination and litigation
- Managing Partner of O'Malley & Langan for approximately 8 years responsible for the overall oversight and management of approximately 30 employees (including 8 attorneys), located amongst three business offices in Pennsylvania (Scranton, Pittston and Towanda) as well as financial oversight of the business

Education

Dickinson School of Law, Carlisle, PA
Juris Doctorate, 1991

University Of Scranton, Scranton, PA
BS Criminal Justice, 1988

Scranton Preparatory High School, Scranton, PA
High School Diploma, 1984

Professional and Personal Affiliations and Boards

- Admitted to practice law in Pennsylvania (Pa. Bar License ID 61963, in good standing)
- Pennsylvania Bar Association (Committee Member - Commission on Women in the Profession; Gaming Law Committee; Civil & Equal Rights Committee)
- Member of the Pennsylvania Bar Assn. House of Delegates (Voting Member)
- Lackawanna County Bar Association (Current President) (Former Member – Board of Directors/Executive Committee) (Co-Chair – Interfaith Celebration) (Co-Chair - Continuing Legal Education Committee)
- Lackawanna Pro Bono (Current volunteer attorney; Former Member of the Board of Directors (2019-2020))
- Lackawanna County Women Lawyers Association (Former President)
- United Way (Chair of the Lawyers Division, 2019-2020 Capital Campaign)
- Certified Mediator in the U.S. District Court of the Middle District of Pa.
- Certificate in “*Advanced Internal Investigations*” provided by the HR Training Center
- 2009, 2010, 2011, 2012, 2014, 2015, 2016, 2019 designation as “Pennsylvania Super Lawyer” and a “Top Lawyer” in Labor and Employment Law (**Super Lawyers is a rating service of outstanding lawyers. Each year no more than 5% of lawyers in the state are selected to receive this honor; 2013 was active in public service law and not eligible**)
- Rated a Top Lawyer in Pennsylvania in Labor and Employment Law by *Philadelphia Magazine*
- AVVO (Five star rated attorney with 16 five-star written ratings - attached)
- Extensive Appellate Court experience including extensive oral argument(s) in front of the Commonwealth Court including one case where the Commonwealth Court heard Atty. Dempsey’s constitutional challenge argument to a certain section of the Pa. WC Law. The Commonwealth Court heard the argument “en banc” and oral argument appeared on PCTV. This same oral argument was chosen by Commonwealth Court Judge(s), for inclusion in a Continuing Legal Education Course for lawyers entitled “Advanced Appellate Advocacy.”

Publications and Speaking Engagements

- "MeToo in the Workplace" - co-authored and co-presented with Atty. John Ellis, at the Lackawanna County Bench Bar Conference – 2018.
- "ADA Issue in the Workplace" - authored and presented by Mary Walsh Dempsey, at the Northeast Occupational Health Nurses Conference.
- "Sexual, Racial and other Discrimination and Harassment" - authored and Presented by Mary Walsh Dempsey, for a Sterling Education Services Seminar entitled "Employment Law Beyond the Basics".
- "The Interplay between the Pennsylvania Workers Compensation Act, the FMLA, the ADA Title VII, Cobra and the Affordable Care Act." - co-authored and co-presented with Andrew Greenberg, Esq., Department of Labor & Industry, Pennsylvania Workers Compensation Bureau Annual Conference (2014 & 2015).
- "The Family and Medical Leave Act" - published in *The Villager*, Moscow, PA, Vol. 71, (2014).
- "Employee Witness Protected in Bias Investigation" - authored by Mary Walsh Dempsey, published in *HR Magazine* (March 2014).
- "The Interplay between the Pennsylvania Workers Compensation Act, the FMLA, the ADA Title VII, Cobra" - co-authored and co-presented with Andrew Greenberg, Esq., Pennsylvania Workers Compensation Bureau Annual Conference (2009, 2011, 2013).
- "Privacy and Social Media in the Workplace" and "Sexual, Racial and other Harassment and Discrimination" - presented for a Sterling Educational Services conference entitled Employment Law, Beyond the Basics (2014).
- "Use of Social Media and Personal Information in the Hiring Process" - presented for a Sterling Educational Services conference entitled Hot Topics in Labor and Employment Law (2013).
- "You be the Judge" - television program, Fox 56 Network, on-air host discussing various legal issues.
- "Age Discrimination Update" - authored by Mary Walsh Dempsey, presented to the Educational Opportunity Center (2009).
- "The Interplay of the Family Medical Leave Act (FMLA), the Americans with Disabilities Act (ADA) and State Workers' Compensation Laws" - authored by Mary Walsh Dempsey and published in *Workers' First Watch Magazine*, a publication of the Workers' Injury Law and Advocacy Group (2009).
- "Employment Discrimination, What Makes a Good Case?" - authored and presented by Mary Walsh Dempsey at the Trial Advocacy Boot Camp for the Committee for Justice for All (2009).
- "Protecting 'At Will' Employment and Family Medical Leave Act (FMLA) Compliance" - authored by Mary Walsh Dempsey and presented at the Employment Law Update for Sterling Educational Services (2008).
- "The Interplay between the Pennsylvania Workers' Compensation Act, the American with Disabilities Act (ADA) and the Family Medical Leave Act (FMLA)" - co-authored and co-presented with Andrew Greenberg, Esq. at the Workers' Compensation Conference for the Bureau of Workers' Compensation, Pennsylvania Department of Labor and Industry (2007 and 2008).
- "What to do When Your Case is Undermined" - authored by Mary Walsh Dempsey and presented at the Workers' Compensation Tips and Tactics Presentation for the National Business Institute (NBI) (2007).

- "Working with New Clients - Do's and Don'ts for Both Sides: Building a Case from the Ground Up" - authored by Mary Walsh Dempsey and presented at the Workers' Compensation Tips and Tactics Presentation for the National Business Institute (NBI) (2007).
- "Retaliatory Discharge and Harassment" - co-authored and co-presented with Brian D. Walters, Esq. at the Pennsylvania Bar Association (PBA) Workers' Compensation Law Section Annual Fall Meeting (2006).
- "An Overview of the Fair Labor Standards Act for Workers' Compensation Lawyers" - authored by Mary Walsh Dempsey; published in *Workers' First Watch Magazine* of the Workers' Injury Law and Advocacy Group in May of 2006; and presented to the Workplace Injury Litigation Group (WILG) at their 10th Anniversary Conference in Washington, D.C. (2005).
- "Litigating Workers' Compensation Cases in Pennsylvania, Techniques and Strategies" - co-authored and co-presented with Joseph Caputo, Esq. at a National Business Institute seminar (2005).
- "Pension Offsets and Abuses Under Act 57" - authored and presented by Mary Walsh Dempsey at the Pennsylvania Association of Trial Lawyers ("PaTLA") Annual Convention (2004).
- "2003 Workers' Compensation Update" - authored and presented by Mary Walsh-Dempsey to the Lackawanna Bar Association ("LBA") at the Annual Bench Bar Conference (2003).
- "Vocational Rehabilitation, Post Caso" - authored and presented by Mary Walsh-Dempsey to the PaTLA Annual Convention (2003).

PUBLISHED CASES

- Haddon Craftsmen V Workers Compensation Appeal Board (Krouchick), 809 A.2d 434 (Pa. Commw. Ct. 2002)
- Matticks v Workers Compensation Appeal Board (Thomas O'Hora Company), 872 A.2d 196 (Pa. Commw. Ct. 2005)
- Werkheiser v Workers Compensation Appeal Board (PaDOT), 866 C.D. 2007 (Pa. Commw. 2007)
- Casselbury v American Food Services, 30 A.2d 510 (Pa. Super. Ct. 2011)

JOHN T. ELLIS

210 Rinaldi Drive
Taylor, PA 18517
(570) 357-6017
johntellis@gmail.com

Licensure

- Admitted to practice law in Pennsylvania and New York

Community Involvement

- **Board of Directors and Chair of HR Committee**, Marley & Mission, Inc. (2017 - Present)
- **HR Advisory Committee** (2015-2017)
- **Board of Directors**, Step-by-Step, Inc. (2018 - Present)
- **Board of Directors**, The Deutsch Institute (2018 - Present)

Professional Affiliations

- **Trademark Committee Chair**, The WorldLaw Network (2018 - Present)
- **Continuing Legal Education Committee**, Lackawanna Bar Association (2018 - Present)
- **Member**, Pennsylvania, New York, and Lackawanna County Bar Associations (2007 - Present)

Social Media

- **LinkedIn**
<http://www.linkedin.com/in/jtellis>

Recent Online Publications

- **SHRM Court Report - Former Employee Must Prove Failure to Accommodate at Trial**
- **SHRM Court Report - Replacement After Medical Leave Can Lead to FMLA Liability**

Key Professional Accomplishments

- Prepared and negotiated national temporary staffing contracts for employer with locations in 6 states.
- Negotiated 1/3 reduction in OSHA penalties after a workplace fatality.
- Prepared and presented new employment offers to unionized manufacturing employees after an unannounced asset purchase.
- Successfully defended DOL wage and hour investigation questioning exempt status of CDL truck drivers.

Work History

- **Ufberg & Associates, LLC**
February 2006 - Present

Advises employers on employee misconduct and discipline, contractual grievances, internal investigations, grievances, leave & disability questions, employee and labor relations, wage & hour investigations, unemployment compensation, right-to-know responses, and other issues. Drafts employment contracts, independent contractor and temporary staffing contracts, employee discipline, ADA and FMLA communications, restrictive covenants, workplace policies, briefs, and other employment-related documentation. Represents employers at proceedings related to labor relations, unemployment compensation, and tax appeals. Conducts training for management on compliance and human resources issues.

Education

- **Juris Doctorate**
Hofstra University School of Law, Hempstead, NY
- **Master of Arts, history**
University Of Scranton, Scranton, PA
- **Bachelor of Arts, history, political science and philosophy**
University Of Scranton, Scranton, PA



Lawyers Professional Liability Declarations

"A Stock Company"

Ten Parkway North
Deerfield, IL 60015

This is a claims made and reported policy
Please read this policy and all endorsements and attachments carefully

Claims Made and Reported Coverage: The coverage afforded by this policy is limited to liability for only those Claims which are first made against the Insured during the Policy Period or any applicable Extended Reporting Period, and which are reported to the Company in accordance with SECTION V - When to Report a Claim.

Notice: This policy may contain provisions that reduce the Limits of Liability stated in the policy by the costs of legal defense, unless the Named Insured has selected to purchase separate Limits of Liability for Claims Expenses as noted in Item 4. of the Declarations. This policy may contain provisions that permit legal defense costs to be applied against the deductible, unless the Named Insured has selected to purchase the deductible applicable to Damages only as noted in the Item 5. of the Declarations. Please read the policy carefully.

Policy Number: LA307302

Renewal of Policy: LA306066

1. NAMED INSURED: Ufberg & Associates, LLC

ADDRESS: 310. Penn Avenue
Scranton

PA 18503

2. POLICY PERIOD: From 03/01/2019 to 03/01/2020
at 12:01 A.M. Standard Time at the Named Insured's address shown above.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
THE COMPANY AGREES WITH THE INSURED TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

3. LIMITS OF LIABILITY: Each Claim: \$1,000,000
Aggregate: \$2,000,000

4. CLAIMS EXPENSES: Option Purchased
A. Included within the Limits of Liability []
B. Have separate Limits of Liability [X]

5. DEDUCTIBLE: Each Claim and Aggregate: \$5,000
A. Deductible applies to Damages only [X]
B. Deductible applies to Damages and Claims Expenses []

6. ANNUAL PREMIUM: \$ 3,642.00

Total Premium \$ 3,642.00

7. RETROACTIVE DATE: UNLIMITED

8. Forms and endorsements applying to this Coverage part and made part of this policy at the time of issue:

MLP 1400-PA 07 13	PA AMENDATORY ENDT
MLP 1218 02 17	BREACH MITIGATION EXPENSE COVG
MLP 1219 02 17	ENHANCEMENT ENDT
MITL 1214 09 17	TRADE OR ECONOMIC SANCTIONS
MPIL 1007 03 14	PRIVACY NOTICE
MPIL 1083 04 15	OFAC ADVISORY NOTICE
MLP 0001 07 13	MARKEL INS LAWYERS PROF POLICY

To Report a Loss
• Dial toll-free #1 (844)777-8323 or visit our
• Website: <https://my.rpsins.com/claimsfnol>
• Contact Insurer directly (see policy section)

9. Report Claims by fax, registered mail or email to:

Claims Service Center: Markel Service Incorporated; Ten Parkway North, Deerfield, Illinois 60015
Fax (847) 572-6338 E- mail: newclaims@markelcorp.com

These Declarations, together with the Common Policy Conditions and Coverage Form(s) and any Endorsement(s), complete the above numbered policy.

Authorized Representative

Producer Name: RPS Plus Companies, 1150 U.S. Highway 22, Suite 120 Bridgewater, NJ 08807

Markel Producer # 36993

MDLP 1000 02 17

Issue Date: 02/19/2019

RPSBRD/SC/2019.02.20

Attachment A. Affirmative Action Certification

During the term of this contract, Bidder agrees as follows:

- (1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
- (2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
- (3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
- (4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
- (5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
- (6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's

noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

- (7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.
- (8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
- (9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
- (10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: January 27, 2020

Utberg & Associates, LLP
(Name of Bidder)

BY [Signature]

TITLE Managing Partner

Attachment B. Certificate of Non-Segregated Facilities

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: January 27, 2020

Ufberg & Associates, LLP
(Name of Bidder)

BY [Signature]

TITLE Managing Partner

Attachment C. Non-Collusion Affidavit of Prime Bidder

STATE OF Pennsylvania

COUNTY OF Lackawanna

Robert Wfberg, Esq., being
first duly sworn, deposes and says that:

1. He is Managing Partner
(Owner, partner, officer, representative or agent)

of Wfberg & Associates, LLP, the Bidder that has
submitted the bid;

2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

Non-Collusion Affidavit
Signature Page

Signed _____

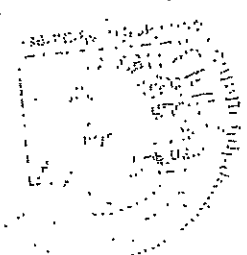
[Signature]
Managing Partner
(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS 27th DAY OF January
, 20 20

[Signature]
Notary Public
(TITLE)

MY COMMISSION EXPIRES April
10, 20 22



Commonwealth of Pennsylvania - Notary Seal
Amanda D. Russell, Notary Public
Lackawanna County
My commission expires April 10, 2022
Commission number 1188637
Member, Pennsylvania Association of Notaries



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

February 10, 2020

RECEIVED

FEB 11 2020

**OFFICE OF CITY
COUNCIL/CITY CLERK**

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A
PROFESSIONAL SERVICES CONTRACT WITH UFBERG & ASSOCIATES, LLP
FOR LABOR COUNSEL FOR THE CITY OF SCRANTON.

Respectfully,

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2020

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS FOR THE CITY OF SCRANTON TO ENTER INTO A LOAN TO GRANT AGREEMENT AND MAKE A LOAN/GRANT FROM THE CITY OF SCRANTON'S BUSINESS AND INDUSTRY LOAN TO GRANT PROGRAM, PROJECT NO.150.46 IN AN AMOUNT NOT TO EXCEED \$70,000.00 TO FANCY PARSLEY, LLC TO ASSIST AN ELIGIBLE PROJECT.

WHEREAS, the City of Scranton Office of Economic and Community Development has available Program funds for Project No.150.46, from the City of Scranton's Business and Industry Loan/Grant Program which funds were transferred into this program from the Community Development Block Grant (CDBG Program), to assist a business within the City of Scranton for the purpose of creating 2 new full time jobs for low and moderate income persons; and

WHEREAS, the City of Scranton seeks to provide a Loan to Grant utilizing funds in Project No. 150.46, from the City of Scranton's Business and Industry Loan/Grant Program in an amount not to exceed \$70,000.00 to be used to assist in the acquisition of real estate located at 233 Oakford Court, Scranton PA 18503 and to assist in the purchase of equipment for business operations of the Fancy Parsley, LLC, located at 233 Oakford Court, Scranton, PA 18503, in order to expand its operations at said location; and

WHEREAS, the Loan will convert to a Grant if Fancy Parsley, LLC, fulfills the job creation requirements contained in the Loan to Grant Agreement; and

WHEREAS, this loan furthers the plan to revitalize the City of Scranton.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and other appropriate City Officials are hereby authorized to enter into a Loan to Grant Agreement substantially in the form attached as Exhibit "A", and other required documents as needed, and to disburse the loan funds from Project No. 150.46, City of Scranton's Business and Industry Loan/Grant Program in an amount not to exceed \$70,000.00 to Fancy Parsley, LLC, a Pennsylvania corporation with principal place of business located at 233 Oakford Court, Scranton, PA 18503.

SECTION 1. A disbursement of these funds is conditioned upon full execution of the attached Loan Agreement.

SECTION 2. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 3. This Resolution shall become effective immediately upon approval.

SECTION 4. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, Known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

January 14, 2020

Jessica Eskra, Esquire
City Solicitor
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: Fancy Parsley, LLC.


OECD / \$70,000.00
Project # 150.46

Dear Atty. Eskra:

Attached please find the "Draft" Resolution along with copies of the loan to grant documents to provide an Economic Development Loan to Grant to the (Fancy Parsley, LLC.) in the amount of \$70,000.00.

This office would appreciate your review of this Resolution in order for this to pass City Council. If you have any questions regarding this project, please contact Tom Preambo at Tpreambo@scrantonpa.gov or 570/348-4216 ext. 4254

Sincerely,



Mary-Pat Ward
Executive Director

All documents have been reviewed by the OECD Solicitor Atty. Sean Gallagher.

MPW/tp

cc: Mr. Tom Preambo, Deputy Director, OECD
Atty. Sean Gallagher, Solicitor, OECD

Legislative Cover Sheet - Scranton City Council

Legislation authorizing the approval of a \$70,000 10 year CDBG Loan to Grant at 2.50% APR to – Fancy Parsley, LLC (Architecture + Design) guarantor by Owner Michael Muller, Scranton, PA., for the purchase of Real Estate and Design support equipment to expand professional architectural design service at 233 Oakford Court.

What Department is this legislation originating from? Where did the initiative for this legislation originate?

OECD originated the legislation as part of the process for granting loan to grants to qualified business applicants under the City of Scranton's Business and Industry Loan to Grant Program to provide Economic Development and Job Opportunities for area residents. Scranton City Council acts as the Loan Administration Board and makes the final loan to grant decision.

Summary and Facts of the legislation

Fancy Parsley, LLC has applied for and met all requirements outlined in the application; the activity meets the requirements of job creation; and is in accordance with U. S. Department of Housing and Urban (HUD) related to direct financial assistance to For-Profits that participate in the creation of job opportunities. Fancy Parsley LLC is an architecture firm that was formed in 2015 under the direction of Michael Muller, AIA. In a few short years, the firm has grown to a talented team of six and has found great success providing architectural services to the Scranton area using computer technology to effectively communicate design intent to its clients. Due to its fast growth, Fancy Parsley Architecture + Design has outgrown its current offices located at 305 Lindon Street, Scranton and seeks to relocate to a new facility which can accommodate their growing business needs.

Fancy Parsley LLC is seeking public assistance to purchase and equip the property at 233 Oakford Court in downtown Scranton as their new headquarters. The new space will allow for the addition of new team members and the implementation of a virtual reality studio, where their designs can be experienced by clients before they are built. This cutting edge technology will transform the way in which the architectural design process is delivered to clients. The application for assistance through the (Business & Industry Loan/Grant Program) is to assist Fancy Parsley LLC with acquisition costs Real Estate and advanced technical equipment. The loan is recommended for approval by OECD's Internal Loan Committee.

Purpose – please include the following in the explanation:

What does the legislation do - what are the specific goals/tasks the legislation seek to accomplish

The legislation serves as the final approval mechanism to fund a \$70,000 for an existing business in Scranton to expand and provide increased job opportunities for area residents.

What are the benefits of doing this/Down-side of doing this?

The action uses available U.S. Department of Housing and Urban (HUD) granted funds to facilitate business and job creation in Scranton. It will assist to improve HUD performance measures concerning the City of Scranton related to national objectives and goals. The downside is the assumed risk of Loan to Grant default with achieving job creation.

How does this legislation relate to the City's Vision/Mission/Priorities?

Both downtown revitalization and job creation are prioritized within current City plans.

Financial Impact - please include the following in the explanation:

Cost (initial and ongoing) – A total of \$70,000 using available OECD funds with no additional funding needs coming from the city.

Benefits – Facilitates business and creates a taxable job and expanded taxable business income.

Funding Sources – CDBG Grant from U.S. Department of Housing and Urban Development (HUD).

Priority Status/Deadlines – OECD would prefer to fund this loan to grant in the first quarter of 2020

Why should the Council unanimously support this legislation?

The loan request meets the criteria for our Business and Industry Loan to Grant Program that benefits the local economy and provides new employment for Low and Moderate income persons.

Include any other pertinent details and/or relevant information that the Council should be aware of:

This loan funds 21.71% of the total \$322,500 project investment. Bank financing is funded at \$220,250 (68.29) and the owner equity investment is at \$32,250 (10%) of their own funds into the project.

**LOAN TO GRANT AGREEMENT
UNDER
BUSINESS AND INDUSTRY LOAN GRANT PROGRAM
OF THE CITY OF SCRANTON
BETWEEN THE CITY OF SCRANTON
AND
FANCY PARSLEY LLC
(ARCHITECTURE + DESIGN)**

This loan To Grant Agreement is entered into as of the _____ day of _____, 2020, by and between **THE CITY OF SCRANTON** (hereinafter referred to as the "**City**"), a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with offices located at 340 North Washington Avenue, Scranton, Pennsylvania 18503, and **Fancy Parsley LLC, (Architecture + Design)** a professional corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business located at 305 Lindon Street, Scranton, PA 18503 (hereinafter referred to as the "Borrower").

WITNESSETH

WHEREAS, the Borrower seeks to continue to operate a business located in the City of Scranton; and

WHEREAS, the Borrower seeks to purchase and expand services at the property located at, 233 Oakford Court, Scranton, PA 18503 (the "Property") for commercial uses (such Property also referred to herein as the "Project Site"); and

WHEREAS, the Borrower is seeking to use the Loan for acquisition of Real Estate and Equipment, to assist with providing services at the Project site for a professional architectural + design practice; and

WHEREAS, the Borrower requests financing at lower than conventional rates in order to create a viable business within the City; and

WHEREAS, the Project (as hereinafter defined) will result in the creation of new jobs at the Project Site and the revitalization of the Property for use as a commercial business; and

WHEREAS, the Borrower has made application to the City (the "Application") for a loan/grant under the program known as the Business and Industry Loan/Grant in the amount of Seventy Thousand Dollars (\$70,000.00); and

WHEREAS, City herein agrees to provide financing under the Business and Industry Loan/Grant Program by making a loan to grant to the Borrower in the amount of Seventy Thousand Dollars (\$70,000.00); (hereinafter referred to as the "Loan" and/or "Grant"); and

WHEREAS, there are funds available from the (HUD) Community Development Block Grant Entitlement Program to make such a loan; and

WHEREAS, the parties wish to herein provide for terms and conditions of repayment of the Loan and conversion of the loan to a grant and designate the uses to which the Loan/Grant proceeds may be applied.

NOW, THEREFORE, the parties hereto, intending to be legally bound, do hereby mutually agree as follows:

1. INCORPORATION OF RECITALS AND EXHIBITS AND
ACKNOWLEDGMENT OF RECEIPT AND REGULATIONS.

The foregoing recitals and all attachments and exhibits, if any, attached to this Loan Agreement are incorporated by reference into and made a part of this Loan Agreement. The Borrower acknowledges knowledge of and understanding of all applicable regulations and laws concerning its borrowing of funds from the Community Development Block Grant Program and agrees to comply with all such applicable regulations and laws, including, but not limited to, those contained in 24 CFR Part 570. The Borrower acknowledges receipt of a copy of the Community Development Block Grant Entitlement Grant Regulations contained in 24 CFR Part 570, and agrees to comply with all said regulations set forth therein applicable to the Borrower.

2. DESCRIPTION OF PROJECT.

The Loan proceeds will be used by the Borrower only for the acquisition of real estate and equipment, for the operation of the Borrower's business located at the Project Site (hereinafter referred to as the "Project"). The Loan proceeds cannot be used for any other purpose without the prior written consent of the City's Office of Economic and Community Development.

3. LOAN TO GRANT

a) Community Development Block Grant Program Loan. The City shall make the Loan to the Borrower in the amount of Seventy Thousand Dollars (\$70,000.00), with interest at the fixed rate of two and one half per cent

(2.5%) per annum, which shall be advanced to Borrower as specified in this Loan Agreement. The entire principal balance of the Loan, as well as any interest accrued thereon, shall be paid in full on or prior to one hundred twenty-six **(126)** months after the Closing Date. The Loan shall not accrue interest during the first **Six** months after the Closing Date.

b) Community Development Block Grant Program Loan to Grant. If Borrower fulfills all of its obligations contained in Section 4 hereof within **six (6)** months of the Closing Date, then all accrued interest and principal shall be forgiven by the City and the Loan shall be converted to a Grant and Borrower shall have no further obligation to repay any funds to the City for the Loan.

b) Availability of Community Development Block Grant Loan. The City has, by Notice of Award of Loan/Grant, and passage of Resolution No. ___ of 2020 on the ___ day of ___, 2020, approved making the Loan to the Borrower. (Resolution as **Exhibit "B" insert after approval**

c) Terms for Repayment of Community Development Block Grant Loan. The Loan shall be evidenced by the Borrower's Promissory Note (the "Note"), dated as of Closing Date, in the principal amount of Seventy Thousand Dollars (\$70,000.00), containing the terms and conditions of payment set forth herein. In the event Borrower fails to satisfy the conditions in Section 4 hereof and the Loan is not converted to a Grant, then **Six (6)** Months after the Closing Date, the Borrower shall make its initial loan payment of Six Hundred and Fifty Nine Dollars and Eighty Nine Cents **(\$659.89)**, and thereafter on the same day of each subsequent month, for a total of one hundred and twenty (120) months, the Borrower shall pay Six Hundred and Fifty Nine Dollars and Eighty Nine Cents **(\$659.89)** per month. The entire principal balance of the Loan, as well as any interest accrued thereon, shall be paid in full by Borrower on or prior to one hundred twenty-six **(126)** months after the execution of the Loan Agreement. There shall be no penalty for prepayment of the principal balance of the Loan.

d) Disbursement of Proceeds. The proceeds of the Loan shall be disbursed at Closing, to or for the benefit of the Borrower, and as directed by the Borrower.

4. HIRING COMMITMENTS.

(a) Creation of New Jobs: As an absolute condition of the Loan/Grant, Borrower agrees to create, within **six (6)** months from the date of this Loan Agreement, at least Two (2) new, full-time equivalent, permanent employment positions at the Project Site as a direct result of the Project financed by the Loan. The specific positions to be filled are described in the documents attached to this Loan Agreement as ATTACHMENT "A", the terms of which are incorporated herein by reference, as though more specifically set forth herein at length. Borrower agrees to ensure that at least fifty-one (51%) percent of the positions described in the ATTACHMENT "A" will be held by or made available to low and moderate income persons as defined in 24 CFR 570.3.

Borrower agrees to promptly collect from its employees and prospective employees the reasonable and necessary data required by HUD for the City's Office of Economic and Community Development to monitor and verify compliance with the job creation requirement. Borrower shall turn such data over to City's Office of Economic and Community Development in a timely manner.

(b) Hiring Verification Procedure.

Contemporaneously with the execution of this Agreement, Borrowers will provide City with a certified statement which itemizes the names, positions and non-overtime hours actually worked by each of its direct employees during the pay period immediately proceeding the date of execution of this Agreement.

(c) Hiring Commitment Fulfillment.

City shall consider Borrower to have fulfilled the hiring commitment if the Borrower reports quarterly, beginning with the date of this Loan Agreement, to the City any new positions created within the **Six (6)** month time period and the Borrower has presented to City a sworn statement which itemizes the positions created.

(d) Penalties for Failure to Meet Hiring Commitments.

If, within Six (6) months following the closing date, Borrower shall have failed to fulfill the job creation requirements described in this Section, Borrower shall make the initial loan payment of Six Hundred and Fifty Nine

Dollars and Eighty Nine Cents (**\$659.89**) and shall continue to make such payment for one hundred and twenty consecutive months (120).

Should Borrower fail to fulfill the job creation requirements described in this section, City at its option may do any or all of the following:

(i) Declare the Borrower in default and demand a repayment of the principal amount of the Loan equal to the entire balance outstanding on the Loan within thirty (30) days from the date of demand;

(ii) Require Borrower to pay within thirty (30) days of demand to City any penalty or recapture levied upon City by HUD which is based upon Borrower's failure to fulfill the hiring commitments.

(e) Sustained Operations and Employment

Borrower, as a condition of this Loan to Grant must remain Open for Business and remain Operational and maintain the approved level of Employment for a period of Sixty (60) consecutive months after the Closing. Open for Business and Operational shall mean Borrower shall be open for business at least 5 days per week, 8 hours per day, except time closed for vacation of one (1) week per calendar year or closure due to act of God, fire, or a taking by a Governmental authority.

5. DATE OF CLOSING. The closing of the Loan shall take place at the offices of Economic and Community Development for the City of Scranton, 340 N. Washington Avenue, Scranton, PA, 18503, after the passage of Resolution No. ____ of 2020 and the Mayor and other appropriate City Officials signing the Resolution (the "Closing Date").

6. SECURITY. The Loan shall be secured, and repayment guaranteed, by the following:

a) the Note;

b) a Security Agreement and UCC Financing Statement to the City granting a lien on the following Collateral: all equipment of the Borrower; and

c) the absolute, unconditional and irrevocable personal guaranty of the Loan by Michael Muller ("Guarantor") in a form satisfactory to the City.

d) the Mortgage

7. CONDITIONS. Funding of the Loan will be subject to the Borrower fulfilling the following conditions to the reasonable satisfaction of the City:

a) Execution and delivery by the Borrower of the Loan Agreement, Note, Security Agreement, as well as such additional documents, as the CITY may reasonably require (collectively, the "Loan Documents");

b) The Borrower shall deliver to the CITY at Closing an opinion of its counsel, in form reasonably acceptable to the CITY as to good standing, authorization, the perfection of the CITY's lien in any real or personal property with respect to which the CITY is given a security interest or mortgage, incumbency of officers, the validity and enforceability of all documents, compliance with applicable laws and regulations, litigation, and, except as previously disclosed herein, compliance with all existing material agreements and such other matters as the CITY may reasonably require; and

c) Execution and delivery of the aforementioned personal guaranty of the Loan by Michael Muller.

The parties hereto acknowledge that funds cannot be disbursed until completion by the City of all requirements necessary for the City to make the Loan have been satisfied.

8. COVENANTS. The Borrower covenants and agrees with the City that so long as any portion of the Loan remains outstanding and unpaid the Borrower shall:

a) pay promptly when due all installments of principal and interest due at the time and in the manner specified in the Note and pay all other sums of every nature and kind comprising part of the Loan in the manner and at the times required by this Loan Agreement and the Note.

b) keep, perform, and comply with all covenants, terms, and conditions of this Loan Agreement;

c) maintain the Property at the Project Site in good order and condition, make, or cause to be made, all repairs, replacements and renewals necessary for the proper maintenance and operation of the same, and permit authorized representatives of the City to inspect the same at

reasonable times in the presence of authorized representatives of the Borrower, and upon providing reasonable prior notice to the Borrower;

d) maintain with respect to the Property, property insurance, and with respect to the Project Site, public liability insurance and flood insurance (if necessary), and such other types of insurance that the CITY may reasonably require, with insurance companies reasonably satisfactory to the CITY and in such amounts and against such risks as are customarily insured by similar entities, all to the reasonable satisfaction of the CITY; keep all insurance in full force and effect and pay all premiums therefore and deliver copies of certificates of insurance to the CITY with the interest of the CITY in all insured property covered under a standard mortgagee clause or a loss payable clause, as appropriate, the policies in all cases to provide for not less than ten days prior written notice to the CITY of any intended cancellation;

e) act prudently and in accordance with customary industry standards in managing and operating the Project;

f.) pay, or cause to be paid, promptly when due all real estate taxes, sewer rentals, utilities and other municipal assessments, rentals, and charges of every nature and kind at any time levied and imposed on the Property, as well as all debts, obligations, and claims of every nature and kind which, if unpaid, might or could become a lien or charge upon the Property, unless the validity thereof is being contested in good faith by the Borrower by appropriate proceedings diligently conducted to the reasonable satisfaction of the City and the Borrower's liability is covered by escrows or reserves that the City shall reasonably deem adequate;

g) furnish to the CITY, within a reasonable time, upon request, after the end of each of the Borrower's fiscal years, financial statements of the Borrower prepared at a minimum, on a compilation basis, by certified public accountants acceptable to the CITY, certified to be correct;

h) furnish all additional information with respect to the Borrower that the CITY may from time to time reasonably request. Borrower hereby authorizes all duly constituted federal, state and municipal authorities to furnish to the CITY copies of audit reports of the Borrower made by any of them;

i) promptly give written notice to the CITY of any material damage to the Property as well as written notice of the revocation or termination of any material franchise, license, permit or other authorization required for the operation of the Project or any other event, including litigation or other

proceedings commenced or threatened, which might or could have a material adverse effect on the Borrower's financial condition or on the operation of the Borrower's business including any event which, after the passage of time or the giving of notice or both, would constitute an event of default under this Loan Agreement; and

j) perform in a timely manner all of its material covenants, obligations and agreements under each material contract, lease, mortgage, deed of trust or other encumbrance or agreement relating to the Project; and

k) Comply with all applicable provisions of any and all regulations, ordinances or laws governing this Loan Program;

l) not, without the prior written consent of the City, (i) merge, consolidate or divide, whether or not the BORROWER is the surviving corporation or other entity, (ii) sell, transfer, assign, lease, mortgage, lien, pledge or otherwise convey or dispose of all or any material part of its assets, except in the ordinary course of business, (iii) effect a reorganization, recapitalization or reclassification of its capital stock, or equity securities, the effect of which is materially to reduce tangible net assets or shareholders' equity of the BORROWER, (iv) issue, redeem, purchase or retire any of its member interests, capital stock or equity securities or grant or issue any warrant, right or option pertaining thereto or other security convertible into any of the foregoing, except pro rata among existing security holders the effect of which is not materially to reduce tangible net assets or shareholders' equity, or (v) permit any change in Borrower's ownership interests or equity securities from that previously disclosed to the CITY in connection with the Loan; and

m) not, without the prior written consent of the City, (a) declare or pay any dividend (other than an amount equal to the owners' share of the Borrower's taxes that flow through to the said owners) or make any distribution upon its capital stock, or purchase or retire any of its capital stock, or (b) give any preferential treatment, make any advance, directly or indirectly, by way of loan, gift, bonus, or otherwise, to any individual or company directly or indirectly controlling or affiliated with or controlled by the Borrower, or to any officer, director, or employee of the Borrower or in any such company, or (c) make any distributions of assets of the business of the Borrower other than in the ordinary course of business.

9. REPRESENTATIONS AND WARRANTIES. To induce the City to provide the financing described in this Loan Agreement, Borrower hereby represents and warrants to the City that:

- a) Borrower is a duly organized, existing corporation, and in good standing under the laws of the Commonwealth of Pennsylvania; and that all books and records of the business pertaining to its financial condition and operation will be kept at the Property; and
- b) the Borrower has the power and authority to own its assets and to carry on the activities contemplated by the Application;
- c) the Borrower holds all material franchises, licenses, permits and other authorizations of any nature and kind required for the ownership of its assets and the operation of its business, all of which are now in full force and effect;
- d) the execution and delivery of this Loan Agreement, and the other Loan Documents to which it is a party, and compliance with their respective covenants, terms and conditions, will not violate any provisions of any governing agreements relating to Borrower, or any statute, regulation, order, writ, injunction, decree, decision of any court or governmental agency binding upon it or conflict with or result in a breach of any of the covenants, terms and conditions of any material agreement or instrument to which the Borrower is a party or by which it is bound or to which it is subject, or constitute a default thereunder, or result in the creation or imposition of a lien, charge or encumbrance of any nature or kind upon any of the assets of the Borrower pursuant to the terms of any such agreement, instrument or otherwise;
- e) the execution and delivery of this Loan Agreement, and the other loan documents to which it is a party, and compliance with all the covenants, terms and conditions thereof has been duly authorized by proper action of the Borrower and when duly executed and delivered by the Borrower will constitute the valid and binding obligations of the Borrower enforceable in accordance with their respective terms.
- f) the Borrower has filed, and shall, as required, file in a timely manner, all Federal, State and Local tax returns and has paid, or shall pay, all taxes shown to be due thereon;
- g) there is no material litigation or governmental proceeding pending or (to the knowledge of the Borrower) threatened against or affecting the Borrower or any of its assets or the operation of its business, which, if adversely determined, would have a material adverse effect on the financial condition of the Borrower;

h) the Borrower will not dispose of any hazardous waste in violation of any environmental statutes, regulations or other restrictions at the Project Site and will not knowingly violate any environmental statutes, regulations or other restrictions;

i) there is no material fact that the Borrower has not disclosed to the CITY, which could have a material adverse effect on the Project or the prospects or condition (financial or otherwise) of Project. No certificate or statement delivered herewith or heretofore by the Borrower in connection with this Loan Agreement or the Application contains any untrue statement of material fact or omits to state any material facts necessary to keep the statements contained herein or therein from being misleading;

j) the Borrower shall at all times keep proper books of account in a manner satisfactory to the CITY and in accordance with generally accepted accounting practices. The Borrower hereby authorizes the CITY to make or cause to be made, at the Borrowers' expense and in such manner and at such times as the CITY may reasonably require,

(1) inspections and audits of any books, records and papers in the custody or control of the Borrower or others, relating to the Project, including the making of copies thereof and extracts therefrom, and

(2) inspections and appraisals of any of the Property. The Borrower will furnish to the CITY for the twelve (12) month period and semi-annually thereafter, financial and operating statements relating to the Project. The Borrower hereby authorizes all Federal, State and Municipal authorities to furnish reports of examinations, records, and other information relating to the conditions and affairs of the Borrower and any desired information from reports, returns, files, and records of such authorities, relating to the Project, upon request therefore by CITY.

k) The unpaid balance of the Loan shall be immediately due and payable, if the Borrower, during the term of the Loan or as it relates to Section 4 (e), effects a change of ownership or control of the business located at the Property without the prior written consent of the City;

l) The Security Agreement granted by the Borrower to the City will create a good and valid first lien security interest in and upon all of Borrower's equipment unless Borrower has

10. EVENT OF DEFAULT. An event of default under this Loan Agreement shall be deemed to have occurred if the Borrower shall:

- a) fail to pay any installment of interest or principal on the Note within ten (10) days after notice from the CITY to the Borrower that any such installment is more than five (5) days late;
- b) fail to pay any other sum required to be paid under the Note or this Loan Agreement within ten (10) days of the Borrower's receipt of notice from the CITY of such failure; or
- c.) fail to strictly and timely comply with all the job creation requirements described in Section 4 above; or
- d) fail to keep, perform and comply with any of the other covenants, terms and conditions of this Loan Agreement within thirty (30) days of notice from the CITY, provided, however, if compliance cannot be performed within thirty (30) days, the Borrower shall be permitted additional time to comply so long as the Borrower commences compliance and pursues it vigorously within the initial thirty (30) day period; or
- e) become insolvent or files or is named in any petition for relief under the Bankruptcy Code or makes any assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of any of the Borrower's properties and assets or applies for or consents to or suffers the appointment of a receiver or trustee; or
- f) close its business for a period of two consecutive weeks or longer.

11. REMEDIES. If an event of default as defined in Section 10 of this Loan Agreement shall occur, the CITY shall be entitled, upon twenty (20) days prior written notice to the Borrower, to declare the Loan immediately due and payable and to demand payment of the Note without presentment, demand or protest of any kind, all of which are hereby expressly waived, and thereupon the CITY shall be entitled to exercise separately or concurrently all rights and remedies under the Note or this Loan Agreement or otherwise available to the CITY at law or in equity to enforce collection of the Loan. The foregoing rights and remedies of the CITY are cumulative and not exclusive of any rights and remedies, which the CITY might otherwise have at law or in equity or by virtue of any statute or rule of procedure.

12. ALLOWABLE COSTS. The Borrower recognizes that the City is obligated to examine all costs claimed by the Borrower relating to the Project for the purpose of cost recovery to effectuate the long-term goals of

the CDBG Grant Program. Without limiting the general applicability of the foregoing, the Borrower is notified that the following cost items, except as they may relate to allowable costs specifically contained in this Loan Agreement or the Application, generally shall not be considered eligible expenses:

- a) Costs paid out prior to the execution of this Loan Agreement;
- b) Interim interest paid on funds borrowed by the Borrower in anticipation of disbursement of the CITY's loans or other Project funds; or
- c) The compensation of consultants and professional service providers;
- d) Costs incurred prior to the Notice of Award of Grant by the CITY.

13. AUDIT. The Borrower agrees to participate actively if requested, and without compensation, in the CITY's audits of the Project and further agrees to fully and faithfully cooperate with the CITY in meeting any and all requirements of the Federal Government.

14. NO LIABILITY FOR FAILURE TO COMPLETE. The Borrower agrees to include in all contracts with any party involving the use of Loan Proceeds an acknowledgment that the CITY shall not be liable to any party for completion of, or the failure to complete, any activities, which are part of the Project, from the date of this Loan.

15. EXPENSES. (a) The Borrower agrees to pay City's reasonable attorney's fees, court costs and other disbursements ordered by the court in the event the CITY takes successful legal action to enforce the CITY's rights under this Loan Agreement.

(b) The Borrower will, on demand, reimburse the CITY for any and all costs, fees and expenses incurred as a result of a breach, including, but not limited to, underwriter's discounts, fiscal agency fees, and all other fees, expenses and costs of issuance which are incurred or which may be hereafter incurred by the CITY from time to time in connection with or by reason of the Borrower's application for the making of and the administration of the Borrower's permanent financing stages of the Loan.

16. RECORDING COSTS. The Borrower agrees to pay all recording costs and filing fees related to the Loan, if any.

17. HOLD HARMLESS AGREEMENT. The Borrower will indemnify and defend the CITY and hold it harmless from any claim against it involving or in any way arising out of its involvement with this Project, unless involving or in any way arising out of the willful misconduct of the CITY, its agents or employees. In particular, but without limiting the general application of the foregoing, and pursuant to Section 4 above, the Borrower will, within thirty (30) days of the CITY's demand, pay any penalty or recapture levied upon the CITY which originates in the Borrower's failure to fulfill, or document the fulfillment of, its hiring commitments stated in this Loan Agreement or the Application.

18. EXERCISE OF RIGHTS. No delay or failure of the CITY in exercising any right or remedy under this Loan Agreement shall be deemed a waiver of such right or remedy or affect or impair the future exercise of such right or remedy and no modification or waiver by the CITY of any covenant or condition of this Loan Agreement or waiver by the CITY of any default hereunder shall be effective for any purpose unless contained in writing signed by the CITY and then only to the extent specifically set forth in such writing.

19. NOTICES AND DEMANDS. All notices or demands required by the provisions of this Loan Agreement shall be in writing, and shall be effective upon delivery, if personally delivered, one (1) business day after sending by Federal Express or other recognized overnight delivery service, or three (3) business days after the date of mailing by United States Certified Mail, with postage prepaid, addressed. If to the City:

Office of Economic and Community Development
City of Scranton
340 North Washington Avenue
Scranton, PA 18503
Attn.: Executive Director

If to the Borrower:

Fancy Parsley, LLC
233 Oakford Court
Scranton, PA 18503
Attn: Michael Muller, AIA

or at such other address as such party shall from time to time direct by written notice given to the other party in like manner.

20. CONSENT TO JURISDICTION. The Borrower irrevocably consents to the exclusive jurisdiction of the Court of Common Pleas of Lackawanna County, Pennsylvania or the United States District Court for the Middle District of Pennsylvania in any and all actions and proceedings arising hereunder. The Borrower hereby waives and shall not interpose any objections of forum non conveniens or to venue, and waives any right to remove any proceeding commenced in a state court to a federal court, and consents to any and all relief ordered by such court.

21. SEVERABILITY. The invalidity of any one or more sections of this Loan Agreement or any portion thereof shall not be deemed to affect or impair the validity and enforceability of the remainder.

22. ASSIGNMENT; BINDING EFFECT. All covenants, terms and provisions of this Loan Agreement shall inure to the benefit of and extend to and bind the successors and assigns of the CITY, provided that the Borrower shall not have the right to assign this Loan Agreement or any rights hereunder to any other person or entity, excepting any entity into which the Borrower shall be merged or with which the Borrower shall be consolidated and any entity which shall purchase substantially all assets of the Borrower.

23. COMPLIANCE WITH HUD REQUIREMENTS. The Borrower shall comply with any and all applicable laws and/or regulations applicable to its receipt and use of the funds being loaned to it pursuant to the aforementioned loan program, including, but not limited to, all of the following requirements where applicable:

a) The regulations for the Community Development Block Grant Program contained in 24 CFR, Part 570;

b) All requirements imposed by Title VI of the Civil Rights Act of 1964 (Public Law 88—352) and Section 1.09 of the Housing and Community Development Act of 1974, as amended, and the regulations related to equal opportunity (24 CFR, Part 570.601). No person in the United States shall, on the grounds of race, color, creed, religion or national origin, sex, disability or other handicap, age, marital status or status with regard to public assistance, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any project assisted with Community Development Block Grant Funds;

c) The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234);

- d) The lead-based paint requirements of 24 CFR, part 35, Subpart B, issued pursuant to the Lead-Based Paint Poisoning Act (42 U.S.C., 4801 et seq.);
- e) The regulations, policies, guidelines and requirements of OMB Circular A-102 Revised (handbook 1300.17), which relates to the acceptance and use of federal funds;
- f) The labor standards requirements as set forth in 24 CFR 570.605. Employees on construction jobs assisted with CDBG funds must be paid the prevailing federal wage rates; and the Project must comply with the City's position regarding the Boston Harbor Agreement, if applicable;
- g) Section 504 of the Rehabilitation Act of 1973 (Public Act 93— 112), as amended, and implementing regulations. No person (employee or applicant for employment) shall be discriminated against because of a physical or mental disability with regard to any position for which the employee or applicant is qualified;
- h) The provisions of the Age Discrimination Act of 1975, as amended (Public Law 94—135);
- i) Requests from HUD, the City and the Comptroller General (or any authorized representatives) for access to and the right to examine all records, books, papers or documents related to the Loan and cooperate fully with the City in supplying information to meet CDBG audit requirements;
- j) The American with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.);
- k) Section 3 of the Housing and Urban Development Act of 1968, as amended, and implementing regulations at 24 CFR, Part 135, requiring that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the Project area and contracts for work in connection with the Project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the area of the Project;
- l) This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88—352) and 24 CFR 570, Part 1. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Borrower shall cause or require a covenant running with the land to be inserted in the deed or lease

for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The Borrower, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate;

m) Section 112 of P.L. 92-65 (42 U.S.C. § 3123) prohibiting sex discrimination in any program or activity receiving Federal Financial assistance under PWEDA; and

n) Borrower will, in all solicitations or advertisements for employees placed by or on behalf of Borrower; state that it is an Equal Opportunity or Affirmative Action Employer.

24. ENTIRE AGREEMENT. This Loan Agreement is the entire agreement between the parties. It is understood and agreed by the parties hereto that no oral statement or no prior written matter extrinsic to this instrument shall have any force or effect. This Loan Agreement shall not be modified except by writing, subscribed by both parties.

25. HONORABLE AGREEMENT. This is an honorable Loan Agreement intended to achieve the recited purposes. This Loan Agreement is to be constructed and applied liberally to achieve those purposes and is not to be defeated by resorting to technical defenses or objections to price computation or any other matter affecting its operation.

26. WAIVER OF BREACH. The waiver by the City of a breach of any provision of this Loan Agreement by the Borrower shall not operate nor be construed as a waiver of any subsequent breach by the Borrower.

27. COUNTERPARTS. This Loan Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together constitute one and the same agreement.

28. SURVIVORSHIP CLAUSE. The Borrower and the City acknowledge and agree certain obligations imposed upon them pursuant to the terms of this Loan Agreement may survive the termination of this Loan Agreement and be legally binding upon the parties hereto subsequent to the termination of this Loan Agreement.

29. INTERPRETATION. This Loan Agreement shall constitute a contract under the laws of the Commonwealth of Pennsylvania and shall for all

purposes be construed in accordance with such laws. The headings of Sections in this Loan Agreement are for convenience of reference only, and shall not enlarge or restrict the rights of the parties hereto.

This space intentionally left blank

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have duly caused this Loan Agreement to be duly signed in their respective names the day and year first above written.

CITY:

COUNTERSIGNED

CITY OF SCRANTON

BY: _____ BY: _____
Controller Mayor

Date: _____ Date: _____

BY: _____ BY: _____
Executive Director City Clerk
Office of Economic and
Community Development

Date: _____

Date: _____

APPROVED AS TO FORM:

BY: _____ Date: _____
City Solicitor

BORROWER:

Attest: **Fancy Parsley, LLC**

_____ By: _____

Date: _____ Michael Muller, AIA

Owner

Date _____

Attachment “A”

Job Creation Requirements

Business & Industry Loan/Grant Program

BORROWER: Fancy Parsley, LLC
Owner: Michael Muller

Following is a summary of new, permanent jobs to be created as a result of the CDBG funding assistance provided through this loan program: FT = 40hrs/wk

Job Title	Status		This job is to be created as a absolute ...	Job to be made available to low/mod persons as a absolute	Does this job require special skills or education? Yes or No
	FT (number of positions)	PT (total hours per week)			
Draftsperson	1		will be created	yes	yes
Draftsperson	1		will be created	yes	yes

FT JOBS

2

PT JOBS AS FTE

0

TOTAL JOBS

2

The jobs will be created within 6 months following the disbursement of loan funds

You should complete a **Family Income Certification** form (sample attached) each time you fill a newly-created, permanent position. Employees should provide information about their family's gross annual income **prior** to being hired by you, so that you can maintain documentation about which of these positions are held by low/mod persons. You will be required to submit copies of these forms to OECD on a quarterly basis until the job creation requirement has been met; as stated in the terms of your loan agreement.

This activity has been processed & maintained by: Tom Preambo, OECD Deputy Director

**M O R T G A G E
AND
SECURITY AGREEMENT**

THIS MORTGAGE AND SECURITY AGREEMENT (hereinafter called the "AGREEMENT") is given this ____ day of _____, 2020, by Fancy Parsley LLC, a Pennsylvania limited liability company with a registered office address at 906 N. Irving Avenue, Scranton Pa 18510 (hereinafter called the "MORTGAGOR") to the CITY OF SCRANTON, a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal office located at 340 North Washington Avenue, Scranton, Lackawanna County, Pennsylvania, (hereinafter called the "MORTGAGEE").

TO SECURE THE PAYMENT of the sums and obligations set forth, MORTGAGOR intending to be legally bound, hereby grants, bargains, sells, conveys, enfeoffs, mortgages, releases, confirms and grants a security interest to MORTGAGEE, its successors and assigns, in all the land, premises and properties described in Exhibit "A" and attached hereto and made a part hereof, which is property commonly known as 233 Oakford Court, Scranton, PA 18503.

TOGETHER with all buildings and improvements presently thereon or hereafter constructed thereon, and together with all fixtures of every kind and nature whatsoever appertaining unto said buildings and improvements, whether attached or detached including but not limited to all pipelines, conduits, oil storage tanks and appurtenances and attachments thereto including valves, pumps and measuring devices, furnaces, boilers, elevators, heaters, switchboards, electrical equipment, heating, plumbing, refrigerating, ventilating, air cooling and air conditioning apparatus and systems, gas and electric fixtures, fittings and machinery, fire protection equipment and parts, footings, and accessories of every kind and description (such items and fixtures being hereinafter collectively referred to as "Fixtures") now or hereafter installed in or used in connection with the operation and maintenance of said

improvements now or hereafter owned by or erected by or for MORTGAGOR, or in the operation of the business situate and conducted thereon.

AND ALSO TOGETHER WITH all right, title and interest now owned or hereafter acquired by MORTGAGOR in and to all the rights, covenants, privileges, tenements, hereditaments and appurtenances belonging to the real estate described in Exhibit "A" or any part thereof hereby mortgaged or intended so to be, or in anyway appertaining thereto, and all streets, passages, ways, water courses, and all leasehold estates, easements, licenses, privileges, agreements and covenants now existing or hereafter created for the benefit of MORTGAGOR or any subsequent owner or tenant of the said real estate over ground adjoining the said real estate and all rights to enforce the maintenance thereof, and all other rights, liberties and privileges of whatsoever kind and character, and the reversions and remainders, income, rents, issues and profits arising there from, and all the estate, right, title, interest property, possession, claim and demand whatsoever, at law or in equity, of MORTGAGOR in and to the said real estate or any part thereof.

All of the above mentioned real estate, buildings, improvements, fixtures, tenements, easements, hereditaments and appurtenances and other property interests, together with the real property above-described, (hereinafter referred to as the "MORTGAGED PROPERTY"), all of which are hereby declared and shall be deemed to be real estate fixtures, accessory to the freehold and a part of the realty as between MORTGAGOR, MORTGAGEE, their successors and assigns, and all persons including creditors, claiming by, through or under them or any of them, it being the intention of the parties, without limiting the generality of the foregoing, that the aforesaid indebtedness shall be secured, inter alia, upon the buildings and improvements erected on said real estate, and that all fixtures, necessary or useful for any purpose of which such buildings and improvements are now or hereafter put, which may at any time hereafter be in, on or about the premises, not limited to those enumerated above, as well as the proceeds thereof, shall be deemed to be a part of the security for the said indebtedness and subject to the lien of this AGREEMENT.

This AGREEMENT shall also constitute a security agreement and a financing statement under the Pennsylvania Uniform Commercial Code so that

MORTGAGEE shall have and may enforce a perfected security interest, to secure payment of all sums due or to become due to MORTGAGEE in any or all of said fixtures, and other articles of real, personal, or mixed property in addition to (but not in limitation of) the lien imposed upon the same by the foregoing provisions hereof as part of the realty, such security interest to attach at the earliest moment permitted by law and also to include and attach to all substitutions and replacements therefore, all contract rights, rental payments and general intangibles of MORTGAGOR obtained in connection with or relating to the operation, construction and maintenance of the MORTGAGED PROPERTY as well as any and all items of property in the foregoing classifications which are hereafter acquired, and all cash and non-cash proceeds and products of any of the foregoing including insurance and proceeds of insurance thereon.

SUBJECT, HOWEVER, to any covenants, restrictions, and easements of record.

TO HAVE AND TO HOLD the MORTGAGED PROPERTY to and for the only proper use and behoof of MORTGAGEE, its successors and assigns forever, subject, however, as aforesaid.

SUMS SECURED HEREBY. This AGREEMENT and the rights in the MORTGAGED PROPERTY hereby granted to MORTGAGEE shall secure MORTGAGOR'S obligation to pay the following, which MORTGAGOR hereby agrees to pay:

(a) A Promissory Note, of even date herewith executed and delivered by Fancy Parsley, LLC to MORTGAGEE in the principal amount of Seventy Thousand Dollars (\$70,000.00) together with interest at the rate set forth in the said Promissory Note, payable on the terms and conditions provided for in said Promissory Note. The MORTGAGOR has executed a Guaranty of even date herewith guaranteeing repayment to MORTGAGEE of said Promissory Note.

(b) All amounts expended by MORTGAGEE in preserving or protecting the MORTGAGED PROPERTY or MORTGAGEE'S interest therein, and all amounts expended by MORTGAGEE, as authorized by the instruments

evidencing the loans secured hereby, in performing any defaulted agreements of MORTGAGOR contained therein, herein or in any other document executed in connection with said loans, including but not limited to the collateral described in said instruments including the aforesaid Promissory Note, all of the terms and conditions of which are hereby incorporated herein by reference and made a part hereof.

(c) All existing and future debts, obligations and liabilities of any nature whatsoever and out of whatever transactions arising, absolute or contingent, owed by MORTGAGOR, alone or jointly with any other person, to MORTGAGEE, not specifically mentioned in the "SUMS SECURED HEREBY" section of this AGREEMENT.

(d) Reasonable attorney's fees, actually incurred, but in any event no less than Seven Hundred Fifty Dollars (\$750.00), if, after default, MORTGAGEE engages counsel to enforce payment of any of the foregoing sums, or to realize on the security therefore.

(e) If within six (6) months of the Closing Date, Borrower fulfills all of its obligations contained in Section 4 of the Loan to Grant agreement and creates at least Two (2) new, full-time equivalent, permanent employment positions for low and moderate income persons as defined in 24 CFR 570.3, then all accrued interest and principal shall be forgiven by the City and the Loan shall be converted to a Grant. Borrower shall have no further obligation to repay any funds to the City for the Loan and this Mortgage will be marked satisfied and recorded in the Lackawanna County Recorder of Deeds Office.

MORTGAGOR hereby agrees that until the payment of all sums secured hereby:

1. MORTGAGOR will warrant and defend the lien of this AGREEMENT to be at all times a valid lien on the MORTGAGED PROPERTY.

2. The MORTGAGOR covenants and agrees that they will (i) observe and perform all of their agreements contained in the instruments evidencing the loan secured hereby or any other documents executed in connection with said loan and (ii) comply with all laws, ordinances and regulations of duly

constituted authorities which hereafter in any manner may affect the MORTGAGED PROPERTY, the business or plant operated thereon, adjacent sidewalks, or any improvements thereon, or the use thereof.

3. MORTGAGOR covenants and agrees that they will at their own cost and expense:

(a) Maintain or cause to be maintained fire and extended coverage insurance on the MORTGAGED PROPERTY in such amounts, with such companies and against such risks as may be reasonably required by MORTGAGEE, said policies to be for a term of not less than one (1) year, to contain standard mortgagee clauses in favor of MORTGAGEE, with the original policies to be deposited with MORTGAGEE. The proceeds under any policy shall be paid by the insurer to MORTGAGEE, and MORTGAGEE shall apply the amount so collected toward the alteration, reconstruction, repair or restoration of the damaged portion of the MORTGAGED PROPERTY or any portion thereof, or to the payment of the indebtedness set forth in the "SUMS SECURED HEREBY" section of this instrument, at the option of MORTGAGEE. MORTGAGOR shall deliver to MORTGAGEE evidence of payment of all premiums due on such insurance together with certificates of such insurance. All of such policies shall contain provisions for notice to MORTGAGEE not less than thirty (30) days in advance of any cancellation of such policies.

(b) Keep itself insured by a responsible insurance company in an amount satisfactory to MORTGAGEE against liability for personal injuries, death and property damage caused to others by reason of any accident occurring on the MORTGAGED PROPERTY or arising out of or in connection with the business or plant operated thereon, adjacent sidewalks, or any improvements thereon, or the use thereof, and to furnish MORTGAGEE with satisfactory evidence from time to time that such insurance is in force.

(c) Maintain or cause to be maintained all such other insurance as MORTGAGEE may require against risks arising out of or in connection with the operation and use of the MORTGAGED PROPERTY and the

business or plant operated thereon, including without limitation insurance against loss resulting from the interruption of business for any reason whatever, for such period and in such amount as MORTGAGEE may require and with loss payable clauses expressly in favor of MORTGAGEE;

(d) Cause of said policies (referred to in Paragraphs (a), (b) and (c) above) to be renewed at least thirty (30) days prior to the expiration of the policies then in force;

(e) If MORTGAGOR is the payee, or one of the payees, of any check or other instrument representing payment by an insurance company of any proceeds referred to in the preceding paragraphs, MORTGAGOR will, except as otherwise provided above, endorse the same to the order of MORTGAGEE and deliver the same to MORTGAGEE; and if MORTGAGOR fails to do so, MORTGAGOR hereby irrevocably authorize any officer or employee of MORTGAGEE to endorse and deliver the same as MORTGAGOR'S attorney-in-fact.

4. MORTGAGOR will pay or cause to be paid prior to the time when interest or penalties commence to accrue thereon, all taxes, water rents, sewer rents and other charges and claims (including, but not limited to, all such items assessed or levied against or chargeable to the MORTGAGED PROPERTY or any part thereof, owned by said MORTGAGOR, and all other claims owing to the Commonwealth of Pennsylvania which, by law, are or may become a lien on the MORTGAGED PROPERTY or any part thereof prior to the lien created by this instrument or are or may become payable out of the proceeds of a judicial sale of the MORTGAGED PROPERTY or any part thereof before the sums secured hereby are payable there from; and within thirty (30) days after the payment of each of the foregoing MORTGAGOR will produce for MORTGAGEE, upon MORTGAGEE's request, receipts or other satisfactory evidence of such payment; provided, however, that if any of the same are being contested in good faith, payment thereof need not be made until said contest is finally determined, so long as there is deposited with the mortgagee reasonable security if required by MORTGAGEE, to protect MORTGAGEE against the delay in payment and/or the nonpayment thereof.

If required by MORTGAGEE, MORTGAGOR will pay to MORTGAGEE with each monthly installment due under the Promissory Note an additional sum equal to one-twelfth (1/12) of the annual taxes, water rents, sewer rents and other charges and claims as aforesaid, and premiums for insurance policies on the MORTGAGED PROPERTY owned by MORTGAGOR. If the funds so held by MORTGAGEE shall be insufficient to pay any of the aforesaid items when due, MORTGAGOR upon demand shall deposit with MORTGAGEE such additional funds as may be necessary to remove such deficiency.

5. MORTGAGOR will pay, prior to the time when interest or penalties commence to accrue thereon, all taxes owing by it to the United States of America and, when requested by MORTGAGEE to do so, MORTGAGOR will produce to MORTGAGEE within thirty (30) days after such request receipts or other satisfactory evidence of such payment; provided, however, that if any of the same are being contested in good faith, payment thereof need not be made until said contest is finally determined, as long as there is deposited with MORTGAGEE reasonable security if required by MORTGAGEE, to assure that the amount finally determined to be payable will be paid.

6. MORTGAGOR shall keep the MORTGAGED PROPERTY and improvements thereon in good condition and repair, and shall not remove, demolish or materially alter the building or improvements on the MORTGAGED PROPERTY, nor commit or suffer waste with respect thereto. MORTGAGOR shall permit MORTGAGEE's agents at any reasonable time, and from time to time, to enter upon the MORTGAGED PROPERTY, and the buildings and improvements thereon erected, for the purpose of inspecting and appraising the same. MORTGAGOR shall not take or permit any action with respect to the MORTGAGED PROPERTY which in the sole judgment of MORTGAGEE is materially adverse to the security of this Mortgage, including but not limited to, the creation of any additional debt or lien against the MORTGAGED PROPERTY, and shall not, without the prior written approval of MORTGAGEE convey the MORTGAGED PROPERTY or any interest herein. Transfer of title to the premises described in this Mortgage shall make all sums due, including principal and interest and all amounts agreed to be treated as such, payable on demand, irrespective of anything herein contained to the contrary.

7. MORTGAGOR represents and warrants that the MORTGAGED PROPERTY is not in violation of any federal, state or local, law ordinance, or regulation relating to industrial hygiene or the environmental conditions on, under, or about the MORTGAGED PROPERTY including, but not limited to, soil and ground water conditions. MORTGAGOR further represents and warrants that neither MORTGAGOR nor, to the best of MORTGAGOR'S knowledge, any third party has used, manufactured, stored, or disposed of on, under, or about the MORTGAGED PROPERTY or transported to or from the MORTGAGED PROPERTY any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials (hereinafter referred to as "Hazardous Materials"), excluding only incidental use or storage of such materials in the normal course of business operations, maintenance, or repairs, which to the best knowledge of MORTGAGOR is in compliance with all applicable laws, regulations, or ordinances. Hazardous Materials shall include, but shall not be limited to substances defined as "hazardous substances" in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§9601-9657; the Hazardous Materials Transportation Act of 1975, 49 U.S.C. 1801-1812; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901-6987 (collectively, the "Hazardous Waste Laws"). MORTGAGOR hereby agrees to indemnify and hold harmless MORTGAGEE, its officials, directors, officers, employees, or agents, and any successor or successors to MORTGAGEE'S interest in the chain of title to the MORTGAGED PROPERTY, its directors, officers, employees, or agents, from and against any and all losses, claims, damages, penalties, liabilities, costs and the reasonable fees and expenses of counsel:

(a) arising out of the inaccuracy or incompleteness of any representation or warranty made herein or in any document in writing delivered pursuant hereto; or,

(b) arising out of any lawsuit brought or threatened, settlement reached, or governmental order relating to the presence, disposal, release, or threatened release of any Hazardous Materials pursuant to the Hazardous Waste Laws or otherwise;

(1) which is or was attributable to MORTGAGOR'S activities or of third parties (regardless of whether MORTGAGOR is aware or unaware of such activities during the period of MORTGAGOR'S ownership of MORTGAGED PROPERTY, or

(2) which is or was attributable to the presence, disposal, release, or threatened release of any Hazardous Materials if such incident occurred prior to the time of MORTGAGOR'S ownership of the MORTGAGED PROPERTY and if MORTGAGOR does not disclose such fact to MORTGAGEE in writing prior to the closing. This agreement to indemnify and hold harmless shall be in addition to any other obligations or liabilities that MORTGAGOR may have to MORTGAGEE at common law, or by statute, or otherwise, and shall survive MORTGAGEE'S transfer of title to the properties. MORTGAGOR expressly agrees that the representations and warranties made, and the indemnities stated herein, are not personal to MORTGAGEE, and benefits hereunder may be assigned to subsequent parties in interest, and any party in such chain of interest may proceed directly against MORTGAGOR to recover pursuant to this AGREEMENT.

Whenever MORTGAGEE determines in good faith that a violation of the Hazardous Waste Laws has occurred, MORTGAGEE may at its election without notice and without regard to whether a default has occurred:

a. **Environmental Assessments** - Cause one or more environmental assessments of the MORTGAGED PROPERTY to be undertaken. Environmental assessments may include detailed visual inspections including, without limitation, all storage areas, storage tanks, drains, dry wells, and leaching areas, and taking of soil samples, surface water samples, and ground water samples, as well as such other investigations or analyses as are necessary or appropriate for a complete assessment of the compliance of the MORTGAGED PROPERTY and the use and operation thereof with the Hazardous Waste Laws;

b. **Cure Environmental Default** - Cure any failure on the part of the MORTGAGOR or any occupant of the MORTGAGED PROPERTY to

comply with the Hazardous Waste Laws, including, without limitation, the following:

(1) Arrange for the clean-up and containment of those Hazardous Materials found in, on or near the MORTGAGED PROPERTY which violate the Hazardous Waste Laws, and pay for such clean-up and containment costs and costs associated therewith;

(2) Pay on behalf of MORTGAGOR or any occupant of the MORTGAGED PROPERTY any fines or penalties imposed on MORTGAGOR or any occupant by any governmental authority in connection with such Hazardous Materials; and,

(3) Make any other payment or perform any other act which may prevent a release of Hazardous Materials, facilitate the clean-up thereof, and prevent a lien from attaching to the properties.

Any partial exercise by MORTGAGEE of the above remedies or any partial undertaking on the part of MORTGAGEE to cure the failure of MORTGAGOR or any occupant of the MORTGAGED PROPERTY to comply with the Hazardous Waste Laws, shall not obligate MORTGAGEE to complete the actions taken or require MORTGAGEE to expend further sums to cure MORTGAGOR or any such occupant's noncompliance. No exercise of any such remedies shall place upon MORTGAGEE, any responsibility for the operation, control, care management or repair of the properties, or make MORTGAGEE the "operator" of the MORTGAGED PROPERTY within the meaning of the Hazardous Waste Laws. Any amounts paid or cost incurred by MORTGAGEE as a result of any of the above, together with interest thereon from the date of payment at the rate provided in the Note shall be immediately due and payable by MORTGAGOR to MORTGAGEE, and until paid shall be secured by the loan documents, evidencing the loan secured hereby. MORTGAGEE, by making any such payment or incurring any such costs, shall be subrogated to any rights of MORTGAGOR or any occupant of the MORTGAGED PROPERTY to seek reimbursements from any third parties, including without limitation, a predecessor in interest to the properties, who

may be a "responsible party" under the Hazardous Waste Laws, in connection with the presence of such Hazard Materials in, or near the properties.

MORTGAGOR'S representations and warranties shall have been true and correct when made and shall be true and correct at the time of closing.

8. In addition to any other indebtedness as set forth herein, it is expressly intended by MORTGAGOR and MORTGAGEE that this Mortgage secure unpaid balances of advances made, with respect to the MORTGAGED PROPERTY, for the payment of taxes, assessments, maintenance charges, insurance premiums or the lien of the Mortgage expenses incurred by MORTGAGEE by reason of default by MORTGAGOR under the Mortgage or, if applicable, advances made under the loan to enable completion of the improvements for which the loan was originally made. Further, it is intended that this Mortgage comply with the Act of October 12, 1990, P.L., No. 130, 42 Pa. C.S.A. §8144 so that the lien of this Mortgage is a lien on the premises described herein for the full amount of the unpaid balances of the Mortgage debt, including principal and interest, and of such advances described herein that are made under the Mortgage, plus interest thereon, regardless of the time when the advances are made.

9. In the event of a taking of all or a portion of the MORTGAGED PROPERTY by condemnation, the proceeds of any condemnation award shall be paid to MORTGAGEE and applied against the sums secured hereby, or at MORTGAGEE'S option to replace any building or other improvements taken on any remaining portion of the MORTGAGED PROPERTY still owned by MORTGAGOR.

10. If MORTGAGOR shall fail to pay any sum secured hereby within thirty (30) days after the same becomes due and payable, or if MORTGAGOR, after thirty (30) days written notice, shall fail to perform any other provision hereof, required on the part of MORTGAGOR to be performed, or if MORTGAGOR shall default in the due and punctual observance or performance of any of the covenants or agreements required on the part of MORTGAGOR to be performed there under, or file or be named in any petition

seeking relief under the Bankruptcy Code, then in any such event, at the option of MORTGAGEE:

(a) The entire unpaid balance or principal indebtedness, together with all interest thereon and all other sums secured hereby together with reasonable attorney's fees, but no less than Seven Hundred Fifty Dollars (\$750.00), shall become due and payable immediately without further notice to MORTGAGOR, and shall be recoverable by MORTGAGEE forthwith or at any time or times thereafter, without stay of execution or other process;

(b) MORTGAGEE may take possession of the MORTGAGED PROPERTY; and,

(c) MORTGAGEE may forthwith exercise all other rights and remedies provided in this Mortgage and/or the Promissory Note, or which may be available to MORTGAGEE by law or equity, and all such rights and remedies shall be cumulative and concurrent and may be pursued singly, successively or together, at MORTGAGEE'S sole discretion, and may be exercised as often as occasion therefore shall occur.

11. If MORTGAGEE shall take possession of the MORTGAGED PROPERTY, MORTGAGEE may:

(a) hold, manage, operate and lease the same to MORTGAGOR or any other person or persons, on such terms and for such periods of time, as MORTGAGEE may deem proper, and the provisions of any lease made by MORTGAGEE pursuant hereto, shall be valid and binding upon MORTGAGOR notwithstanding the fact that MORTGAGEE'S right of possession may terminate or its Mortgage may be satisfied of record prior to the expiration of the term of such lease;

(b) make such alterations, additions, improvements, renovations, repairs and replacements thereto as MORTGAGEE may deem proper;

(c) remodel such improvements so as to make the same available in whole or in part for other business purposes; and

(d) collect the rents, issues and profits arising from the MORTGAGED PROPERTY, past due and thereafter becoming due, and apply the same, in such order of priority as MORTGAGEE may determine, to the payment of all charges and commissions incidental to the collection of rents and the management of the MORTGAGED PROPERTY, and all other sums or charges required to be paid by MORTGAGOR hereunder. In addition to the payment of such charges and commissions, MORTGAGEE shall be entitled to retain ten (10%) percent of such rents, issues and profits in payment for the services of MORTGAGEE in relation to the MORTGAGED PROPERTY. All moneys advanced by MORTGAGEE for the purposes aforesaid and not repaid out of the rents collected, shall immediately and without demand, be repaid by MORTGAGOR to MORTGAGEE, together with interest thereon at the rate of interest specified in the Promissory Note, and shall be added to the principal indebtedness hereby secured. The taking of possession and collection of rents by MORTGAGEE as aforesaid shall not be construed to be an affirmation of any lease of the MORTGAGED PROPERTY, or any part thereof, and MORTGAGEE or any other purchaser at any foreclosure sale may, if otherwise entitled to do so, exercise the right to terminate any such lease as though such taking of possession and collection of rents had not occurred.

12. For the purpose of obtaining possession of the MORTGAGED PROPERTY in the event of any default hereunder, MORTGAGOR hereby authorizes and empowers any attorney of any court of record in the Commonwealth of Pennsylvania or elsewhere, as attorney for MORTGAGOR and all persons claiming under or through MORTGAGOR, to sign an agreement for entering in any competent court, an amicable action in ejectment for possession of the MORTGAGED PROPERTY and to appear for and confess judgment against MORTGAGOR, and against all persons claiming under or through MORTGAGOR, for its recovery by MORTGAGEE of possession of the same, without any stay of execution, for which this Mortgage or a true and correct copy thereof, shall be sufficient warrant; and thereupon a writ of possession may be issued forthwith, without any prior writ or proceeding whatsoever. MORTGAGOR hereby releases MORTGAGEE from all errors and

defects whatsoever of a procedural nature in entering such action and judgment and in causing such writ or writs to be issued, and hereby agree that no writ of error, appeal, petition to open or strike off judgment, or other objection, shall be filed or made with respect thereto. If for any reason after such action has been commenced, the same shall be discontinued and possession of the MORTGAGED PROPERTY shall remain in or be restored to MORTGAGOR, MORTGAGEE shall have the right for the same default or any subsequent default to bring one or more further amicable actions as above provided to recover possession of the MORTGAGED PROPERTY. MORTGAGEE may bring such amicable action in ejectment before or after judgment thereon or on the Promissory Note, or after a sale of the MORTGAGED PROPERTY by the Sheriff in foreclosure of this Mortgage.

13. The granting of an extension or extensions of time by MORTGAGEE with respect to the performance of any provisions of this Mortgage or the Promissory Note required on the part of MORTGAGOR to be performed, or the taking of any additional security, or the waiver by MORTGAGEE, or failure by MORTGAGEE to enforce, any provision of this Mortgage, or the Promissory Note or to declare a default with respect thereto, shall not operate as a waiver of any subsequent default or defaults or affect the right of MORTGAGEE to exercise all rights or remedies stipulated herein and therein.

14. MORTGAGOR waives and releases all laws and rules of procedure now in force or hereafter enacted, relating to exemption from, or stay of execution. In the event MORTGAGOR shall make application for or seek relief or protection under any of the sections or chapters of the United States Bankruptcy Code (hereinafter referred to as the "Code"), or in the event that any involuntary petition is filed against MORTGAGOR under any section or chapter of the Code, MORTGAGEE shall thereupon be entitled to immediate relief from any automatic stay imposed by Section 362 of the Code (or any Successor provision) or otherwise, on, or against, the exercise of the rights and remedies otherwise available to MORTGAGEE as provided in the Mortgage, and any documents referred to in the SUMS SECURED HEREBY Section (as currently in effect, as might be modified, or otherwise) and as otherwise provided by law. MORTGAGOR agrees not to contest the validity or enforceability of this Section 14. If MORTGAGOR fails to perform the

covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which in MORTGAGEE'S sole and absolute discretion, materially affects interest in the MORTGAGED PREMISES, including, but not limited to, eminent domain, insolvency, lien, enforcement, or arrangements or proceedings involving a bankruptcy or decedent, then MORTGAGEE at MORTGAGEE'S option, upon notice to MORTGAGOR, may make such appearances, disburse such sums and take such action as is necessary to protect MORTGAGEE'S interest, including, but not limited to, disbursement of reasonable attorney's fees. Any amounts disbursed by MORTGAGEE pursuant to this paragraph with interest thereon at the rate provided for with respect to principal, shall become additional indebtedness of MORTGAGOR secured by the Mortgage.

15. This AGREEMENT shall create a lien upon any personalty of every kind and description which is located on or brought upon the MORTGAGED PROPERTY and which is so affixed thereto as to become a fixture.

16. IT IS EXPRESSLY AGREED BY MORTGAGOR AND MORTGAGEE THAT IN ANY ACTION OR PROCEEDING BROUGHT BY MORTGAGOR OR OTHERWISE COMMENCED BY OR AGAINST MORTGAGEE ARISING OUT OF OR BASED UPON ANY PROVISION OF THIS MORTGAGE OR OF THE PROMISSORY NOTE, MORTGAGOR FOR THEMSELVES, THEIR HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNS HEREBY WAIVE ANY RIGHT TO TRIAL OF ANY ISSUE OF FACT BY JURY, WHETHER SUCH TRIAL BY JURY IS PROVIDED FOR BY LAW, EQUITY OR APPLICABLE RULE OF CIVIL PROCEDURE.

17. MORTGAGOR shall have the privilege to prepay the unpaid principal indebtedness in whole or in part without payment of premium or penalty.

18. The words "MORTGAGOR" and "MORTGAGEE" whenever occurring herein shall be deemed and construed to include the singular and plural, as applicable, jointly and severally, and their respective heirs, personal representatives, successors and assigns of MORTGAGOR and MORTGAGEE. This AGREEMENT shall be governed by and construed according to the Laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, MORTGAGOR has caused these Presents to be executed by its duly authorized officers, intending to be legally bound, the day and year first above written.

Fancy Parsley, LLC

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF LACKAWANNA)

On this, the ____ day of _____, 2020, before me a notary public in and for the Commonwealth of Pennsylvania, the undersigned officer, personally appeared _____ and _____, who acknowledged themselves to be all the members of Fancy Parsley, LLC, a Pennsylvania limited liability company, and being duly authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of FANCY PARSLEY, LLC as the members thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

NOTARY PUBLIC

CERTIFICATE OF RESIDENCE

The undersigned, on behalf of the MORTGAGEE, the City of Scranton, in the foregoing Mortgage, hereby certifies that the address of the said MORTGAGEE is: 340 North Washington Avenue, Scranton, Pennsylvania.

Attorney for MORTGAGEE

EXHIBIT "A"

EXHIBIT A

All that certain piece or parcel of land situate, lying and being on Westerly side of Oakford Court (formerly called Oakford Alley) between Linden and Spruce Street in the Eighteenth (18th) Ward of the City of Scranton, County of Lackawanna and Commonwealth of Pennsylvania, said Lot known and designated as Lot number Eleven (11) in Block number Thirty-six (36) on John Handley's Plot of the City of Scranton and is rectangular in shape, being twenty-four (24) feet in width in front on said court and Sixty (60) feet in depth. Said lot is known and designated as Lot number Fifteen (15) in Block Thirteen (13) on Assessment map for the City of Scranton.

Improved with a commercial building the address of which is 233 Oakford Court Scranton, PA 18503

Pin# 15627-010-006

PROMISSORY NOTE

\$70,000.00

Scranton, Pennsylvania
_____, 2020

FOR VALUE RECEIVED, and intending to be legally bound, the undersigned, Fancy Parsley LLC, (Architecture + Design), (hereinafter called the "Maker"), a Professional Pennsylvania corporation with a principal place of business located at 305 Lindon Street, Scranton, PA 18503, hereby promises to pay to the order of THE CITY OF SCRANTON (hereinafter called the "Holder"), a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with offices at 340 North Washington Avenue, Scranton, Pennsylvania 18503, or its assignees, the sum of Seventy Thousand Dollars (\$70,000.00), (the "Loan") payable together with interest thereon at the fixed rate of two and one half percent (2.5%) per annum as follows:

- (1) Interest shall not accrue from _____, 2020 through _____, 2020. In the event Maker satisfies all of the conditions of Section 4 of the Loan to Grant Agreement between Maker and Holder of even date herewith then Maker's obligations hereunder shall cease and Maker shall not have any further obligations to repay the Loan to Holder.
- (2) Payments by Maker to Holder shall commence on the _____ day of _____, **2020**, and on the _____ day of each and every month thereafter to and including the _____ day of _____, **2030** and shall be in monthly installments of principal and interest in the amount of **Six Hundred and Fifty Nine Dollars and Eighty Nine Cents (\$659.89)**.
- (3) Upon the expiration of one hundred twenty six (**126**) months after the date hereof, the then unpaid balance of principal, interest, and charges collectible under the terms hereof shall be immediately due and payable.
- (4) This Note evidences a loan (the "Loan") in the above amount made by the Holder to the Maker on this date, the proceeds of which will be advanced by the Holder to the Maker in the manner provided in a Loan to Grant Agreement (the "Loan Agreement") of this date between the Holder and the Maker for the purposes therein specified. Payment of this Note is secured by a security agreement (the "Security Agreement") of this date from the Maker to the Holder, and by, other security described in the Loan Agreement.
- (5) The Maker hereby agrees to keep, perform, and comply with all covenants, terms, and conditions of this Note, the Loan Agreement, the Security Agreement, and all of the documents and instruments now and at any time hereafter delivered to and held by the Holder to evidence and secure the

Loan (herein collectively called the "Loan Documents"), which are incorporated by reference in and made a part of this Note.

(6) This Note shall also evidence all advances and expenditures that the Holder is authorized and permitted to make under the provisions of the Loan Documents, and all other sums of every nature and kind that at any time hereafter become due and owing by the Maker to the Holder under the Loan Documents, which shall be added to and become part of the principal amount evidenced by this Note and paid to the Holder, with interest, on the due date of the next installment, if not sooner due and payable under the provisions of the Loan Documents.

(7) Payments of principal on this Note shall be made in current funds on the day when due, without presentment, demand, protest, or notice of any kind, all of which are hereby waived. Payment shall be made at the office of the Holder herein designated or at such other place as the Holder may from time to time designate by written notice to the Maker, and shall be made in lawful money of the United States of America without set-off, counterclaim, or other deduction of any nature.

(8) The Holder shall have the right to impose a service charge equivalent to ten percent (10%) of the amount of any installment of principal not received within fifteen (15) days after the date the same becomes due, which shall be added to the principal balance and paid to the Holder on the due date of the next installment.

(9) EVENT OF DEFAULT. An event of default under this Promissory Note shall be deemed to have occurred if the Borrower shall:

a) fail to pay any installment of interest or principal on the Note within ten (10) days after notice from the CITY to the Borrower that any such installment is more than five (5) days late;

b) fail to pay any other sum required to be paid under the Note or this Loan Agreement within ten (10) days of the Borrower's receipt of notice from the CITY of such failure; or

c.) fail to strictly and timely comply with all the job creation requirements described in Section 4 of the Loan to Grant Agreement of even date herewith; or

d) fail to keep, perform and comply with any of the other covenants, terms and conditions of the Loan to Grant Agreement within thirty (30) days of notice from the CITY, provided, however, if compliance cannot be performed within thirty (30) days, the Borrower shall be permitted additional time to comply so

long as the Borrower commences compliance and pursues it vigorously within the initial thirty (30) day period; or

e) become insolvent or files or is named in any petition for relief under the Bankruptcy Code or makes any assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of any of the Borrower's properties and assets or applies for or consents to or suffers the appointment of a receiver or trustee; or

f) close its business for a period of two consecutive weeks or longer.

(10) REMEDIES. If an event of default as defined in Section 9 hereof shall occur, the CITY shall be entitled, upon twenty (20) days prior written notice to the Borrower, to declare the Loan immediately due and payable and to demand payment of the Note without presentment, demand or protest of any kind, all of which are hereby expressly waived, and thereupon the CITY shall be entitled to exercise separately or concurrently all rights and remedies under the Note or this Loan Agreement or otherwise available to the CITY at law or in equity to enforce collection of the Loan. The foregoing rights and remedies of the CITY are cumulative and not exclusive of any rights and remedies, which the CITY might otherwise have at law or in equity or by virtue of any statute or rule of procedure.

(11) Confession of Judgment. This Promissory Note contains a warrant of attorney authorizing any Prothonotary, Clerk of Court, attorney of any court of record and/or the Holder (as well as someone acting for holder) to appear for, and confess judgment(s) against Maker, without any prior notice or an opportunity to be heard. Subparagraph (a) below also permits Holder to execute upon the confessed judgment(s) which could have the effect of depriving Maker of its property without any prior notice or an opportunity to be heard. Maker hereby acknowledges that it has consulted with an attorney regarding the implications of these provisions and Maker understands that it is bargaining away several important legal rights. Accordingly, Maker hereby knowingly, intentionally, voluntarily and unconditionally waives any and all rights that it may have under the constitution and/or laws of the United States of America and the Commonwealth of Pennsylvania to prior notice and/or an opportunity for

hearing with respect to both the entry of such confessed judgment(s) and any subsequent attachment, levy or execution thereon.

(a) CONFESSION OF JUDGMENT. MAKER COVENANTS AND AGREES THAT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT BY MAKER, HOLDER MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS FOR MONEY TO BE ENTERED AGAINST MAKER AND, FOR THOSE PURPOSES, MAKER HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (I) MAKER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR HOLDER (AS WELL AS SOMEONE ACTING FOR HOLDER) IN ANY AND ALL ACTIONS COMMENCED AGAINST MAKER FOR RECOVERY OF THE PRINCIPAL AND INTEREST AND/OR OTHER AMOUNTS TO BE PAID TO HOLDER BY MAKER AND TO APPEAR FOR MAKER, AND ASSESS DAMAGES AND CONFESS OR OTHERWISE ENTER JUDGMENT AGAINST MAKER, FOR PRINCIPAL AND INTEREST AND/OR OTHER AMOUNTS TO BE PAID TO HOLDER BY MAKER, TOGETHER WITH INTEREST AT THE DEFAULT RATE, COSTS AND AN ATTORNEYS' COMMISSION EQUAL TO THE GREATER OF \$5,000 OR FIFTEEN PERCENT (15%) OF THE FULL AMOUNT OF SUCH AMOUNTS AND SUMS; AND THEREUPON WRITS OF EXECUTION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) THE WARRANT OF ATTORNEY HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF BUT SUCCESSIVE ACTIONS MAY BE COMMENCED AND SUCCESSIVE JUDGMENTS MAY BE CONFESSED OR OTHERWISE ENTERED AGAINST MAKER FROM TIME TO TIME AS OFTEN AS ANY AMOUNTS AND SUMS SHALL FALL OR BE DUE OR PAYABLE, AND THIS WARRANT OF ATTORNEY MAY BE EXERCISED AFTER THE TERMINATION OR EXPIRATION OF THE LOAN TERM AND/OR DURING OR AFTER ANY EXTENSIONS OF THE LOAN TERM OR RENEWALS THEREOF.

Michael Muller, AIA

Date: _____

(12) The Maker hereby waives the benefit of any present or future law or rule of procedure authorizing stay of execution on any judgment recovered on this Note, and the exemption of property from levy and sale there under, and any and all errors, defects, and imperfections whatsoever of a procedural nature in the entry of any judgment or in any process or proceedings thereon or relating to the same.

(13) Upon any negotiation, sale or assignment of this Note, the holder hereof may deliver same to the transferee or purchaser who shall thereupon become the holder hereunder and as such shall have and may exercise all powers, rights and options with respect to same and otherwise hereby given to the holder, or otherwise available to Holder pursuant to the terms and conditions of the Loan Agreement, and such former holder who thus negotiates, sells or assigns this note shall thereafter be forever relieved and fully discharged from any liability or accountability with respect to same.

(14) If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not effect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

(15) All of the foregoing agreements and obligations including, without limitation, the warrant of attorney to confess judgment, shall bind the Maker and its successors and assigns, and shall inure to the benefit of the Holder, its successors and assigns.

In Witness Whereof, the Maker has duly caused this Note to be duly executed by its duly authorized representative, the day and year first above written, intending to be legally bound.

Attest:

Michael Muller, AIA

By: _____

Owner

Date: _____

“Guaranty”

Michael Muller

GUARANTY

Pursuant to this Guaranty dated the ____ day of _____, 2020 the undersigned, **Michael Muller, AIA**, (GUARANTOR) 830 Taylor Avenue, Scranton, Pa 18510, hereby unconditionally guarantees to the City of Scranton, a city of the Second Class A, a municipal corporation, organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter the "City") the due performance, including, but not limited to, the prompt payment when due by the principal debtor, **Fancy Parsley, LLC**, and all of its liabilities to the City as set forth in that certain Loan to Grant Agreement and Promissory Note both dated the same date as this Guaranty concerning a loan from the City to **Fancy Parsley, LLC**, in the amount of Seventy Thousand Dollars (\$70,000.00).

This Guaranty is a continuing one and shall be effective as binding on the undersigned regardless whether or not all indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the CITY, and such revocation shall not be effective as to indebtedness existing or committed for at the time of actual receipt of such notice by the CITY, or as to any renewals, extensions and re-financings thereof.

The liability of the undersigned hereunder is absolute and unconditional and shall not be affected in any way by reason of (a) any failure to retain or preserve, or the lack of prior enforcement of, any rights against any person or persons (including the **Fancy Parsley, LLC**, and any of the undersigned) or in any property; (b) the invalidity of any such rights which may be attempted to be obtained; (c) any delay in enforcing or failure to enforce any such rights even if such rights are thereby lost; or (d) any delay in making demand on the undersigned for performance or payment of the undersigned's obligations hereunder.

The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and the **Fancy Parsley, LLC**, liabilities to City

including but not limited to notice of the acceptance hereof and reliance hereon, of the present existence or future incurring of any of the **Fancy Parsley, LLC**, liabilities to City, of the amount, terms and conditions thereof, and of any defaults thereon. The undersigned hereby consents to the taking of, or failure to take, from time to time without notice to the undersigned, any action of any nature whatsoever with respect to the **Fancy Parsley, LLC**, liabilities to City and with respect to any rights against any persons or persons (including the **Fancy Parsley, LLC**, and any of the undersigned) or in any property, including but not being limited to, any renewals, extensions, modifications, postponements, compromises, indulgences, waivers, surrenders, exchanges and releases, and the undersigned will remain fully liable hereunder notwithstanding any of the foregoing; provided, however, that the granting of a release of the liability hereunder of less than all of the undersigned shall be effective with respect to the liability hereunder of the one or more who are specifically so released but shall in no way affect the liability hereunder of any other of the undersigned not so released. The death or incapacity of any of the undersigned shall in no way affect the liability hereunder of any other of the undersigned. The undersigned hereby waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder, including without limitation (a) all defenses whatsoever to the undersigned's liability hereunder except the defense of payments made on account of the **Fancy Parsley, LLC**, liabilities to City and (b) all right to stay of execution and exemption of property in any action to enforce the liability of the undersigned hereunder.

If any default shall be made in the payment of any indebtedness, the undersigned hereby agrees to pay the same to the extent above specified (a) without requiring protest or notice of nonpayment or notice of default to the undersigned, to the **Fancy Parsley, LLC**, or to any other person; (b) without proof of demand; (c) without requiring City to resort first to the **Fancy Parsley, LLC**, or to any other guaranty or any collateral which City may hold; (d)

without requiring any notice of acceptance hereof or assent hereto by City; and (e) without requiring notice than any indebtedness has been incurred, all of which the undersigned hereby waives. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth herein, the undersigned also agrees to pay to the City on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the **Fancy Parsley, LLC**, liabilities to City or the liability of the undersigned hereunder.

If any of the **Fancy Parsley, LLC**, liabilities to City are not duly performed, including the prompt payment when due of any amount payable hereon, all the **Fancy Parsley, LLC**, liabilities to City shall, at the City's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

Confession of Judgment. This Guaranty contains a warrant of attorney authorizing any Prothonotary, Clerk of Court, attorney of any court of record and/or the City (as well as someone acting for City) to appear for, and confess judgment(s) against Guarantor, without any prior notice or an opportunity to be heard. Subparagraph (a) below also permits City to execute upon the confessed judgment(s) which could have the effect of depriving Guarantor of his property without any prior notice or an opportunity to be heard. Guarantor hereby acknowledges that he has consulted with an attorney regarding the implications of these provisions and Guarantor understands that he is bargaining away several important legal rights. Accordingly, Guarantor hereby knowingly, intentionally, voluntarily and unconditionally waives any and all rights that he may have under the constitution and/or laws of the United States of America and the Commonwealth of Pennsylvania to prior notice and/or an opportunity for hearing with respect to both the entry of such

confessed judgment(s) and any subsequent attachment, levy or execution thereon.

(a) CONFESSION OF JUDGMENT. GUARANTOR COVENANTS AND AGREES THAT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT BY ("FANCY PARSLEY, LLC,") CITY MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS FOR MONEY TO BE ENTERED AGAINST GUARANTOR AND, FOR THOSE PURPOSES, GUARANTOR HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (I) GUARANTOR HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR CITY (AS WELL AS SOMEONE ACTING FOR CITY) IN ANY AND ALL ACTIONS COMMENCED AGAINST GUARANTOR FOR RECOVERY OF THE PRINCIPAL AND INTEREST ON FANCY PARSLEY, LLC LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY BY GUARANTOR AND TO APPEAR FOR GUARANTOR, AND ASSESS DAMAGES AND CONFESS OR OTHERWISE ENTER JUDGMENT AGAINST GUARANTOR, FOR PRINCIPAL AND INTEREST ON FANCY PARSLEY, LLC LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY BY GUARANTOR, TOGETHER WITH INTEREST AT THE LEGAL RATE, COSTS AND AN ATTORNEYS' COMMISSION EQUAL TO THE GREATER OF \$5,000 OR FIFTEEN PERCENT (15%) OF THE FULL AMOUNT OWED; AND THEREUPON WRITS OF EXECUTION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) THE WARRANT OF ATTORNEY HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF BUT SUCCESSIVE ACTIONS MAY BE COMMENCED AND SUCCESSIVE JUDGMENTS MAY BE CONFESSED OR OTHERWISE ENTERED AGAINST GUARANTOR FROM TIME TO TIME AS OFTEN AS ANY AMOUNTS AND SUMS SHALL FALL OR BE DUE OR PAYABLE, AND THIS WARRANT OF ATTORNEY MAY BE EXERCISED AFTER THE TERMINATION OR EXPIRATION OF THE LOAN TERM AND/OR DURING OR AFTER ANY EXTENSIONS OF THE LOAN TERM OR RENEWALS THEREOF.

Michael Muller, AIA,

DATE: _____

So long as the **Fancy Parsley, LLC** liabilities to City have not been paid in full, no payment by the undersigned pursuant to the provisions hereof shall entitle the undersigned, by subrogation, to the rights of the City or otherwise, to any payment by the **Fancy Parsley, LLC** or out of the property of the **Fancy Parsley, LLC**.

A subsequent Guaranty by the undersigned or any other guarantor of the **Fancy Parsley, LLC** liabilities to City shall not be deemed to be in lieu of or to supersede or terminate this Guaranty but shall be construed as an additional or supplementary guaranty unless otherwise expressly provided therein; and in the event the undersigned or any other guarantor has given to the City a previous guaranty or guaranties, this guaranty shall be construed to be an additional or supplementary guaranty, and not to be in lieu thereof or to terminate such previous guaranty or guaranties unless expressly so provided herein.

This Guaranty shall inure to the benefit of the City, its successors, assigns, endorsers and any person or persons, including any institution or institutions, to whom the City may grant any interest in the **Fancy Parsley, LLC** liability to City or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, successors, assigns and other legal representatives.

It is expressly agreed by the Guarantor and City that in any action or proceeding brought by the Guarantor or otherwise commenced against City arising out of or based upon any provision of this Guaranty the Guarantor, jointly and/or severally for the undersigned, and the Guarantor's heirs, Executors, Administrators, Successors and Assigns hereby waives any right to trial of any issue of fact by jury, whether such trial by jury is provided for by law, equity or applicable rule of civil procedure.

The Guarantor intends this to be a sealed instrument and to be legally bound hereby. All issues arising hereunder shall be governed by the Laws of Pennsylvania.

IN WITNESS WHEREOF, intending to be legally bound, the Guarantor has duly caused this Guaranty to be duly signed the day and year first above written.

Michael Muller, AIA

DATE

Commonwealth of Pennsylvania)

ss:

County of Lackawanna)

On this, the _____ day of _____ 2020, before me, a Notary Public, the undersigned Officer, personally appeared **Michael Muller, AIA**, known to me (or satisfactorily proven) to be the person whose name is are subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In Witness Where, I hereunto set my hand and official seal.

Title of Officer



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

February 11, 2020

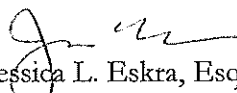
To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED
FEB 12 2020
OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS FOR THE CITY OF SCRANTON TO
ENTER INTO A LOAN TO GRANT AGREEMENT AND MAKE A LOAN/GRANT
FROM THE CITY OF SCRANTON'S BUSINESS AND INDUSTRY LOAN TO
GRANT PROGRAM, PROJECT NO.150.46 IN AN AMOUNT NOT TO EXCEED
\$70,000.00 TO FANCY PARSLEY, LLC TO ASSIST AN ELIGIBLE PROJECT.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2020

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE OFFICIALS OF THE CITY OF SCRANTON TO ENTER INTO A LOAN AGREEMENT AND MAKE A LOAN FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION-REVOLVING LOAN PROGRAM, PROJECT NUMBER 009.500.5, IN AN AMOUNT NOT TO EXCEED THIRTY THOUSAND AND 00/00 DOLLARS (\$30,000.00) TO RITZ HOSPITALITY, LLC TO ASSIST IN AN ELIGIBLE PROJECT.

WHEREAS, the City of Scranton Office of Economic and Community Development has available Program Funds from Project Number 009.500.5, Economic Development Administration Revolving Loan Fund Program (EDA Loan Program), to assist a business within the City of Scranton for the purpose of job creation for low and moderate income persons; and

WHEREAS, the City of Scranton seeks to provide a loan utilizing funds in Project No.009.500.5 EDA Loan Program in an amount not to exceed Thirty Thousand and 00/00 Dollars (\$30,000.00) to be used for the purchase of equipment and as working capital for the operation of a commercial food service business located at 222 Wyoming Avenue, Scranton, PA. The loan funds shall be distributed to Ritz Hospitality, LLC.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City Officials are hereby authorized to enter into a loan agreement substantially in the form of attached as Exhibit 'A', and other required documents as needed, and to disburse loan funds from Project No. 009.500.5 EDA Loan Program in an amount not to exceed Thirty Thousand and 00/00 Dollars (\$30,000.00) for said loan to Ritz Hospitality, LLC, a Pennsylvania limited liability company with its principal place of business at 222 Wyoming Avenue Scranton PA 18503.

SECTION 1. A disbursement of these funds is conditioned upon full execution of the attached Loan Agreement.

SECTION 2. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such

decisions shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Resolution, and the effective administration thereof.

SECTION 3. This Resolution shall become effective immediately upon approval.

SECTION 4. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

Legislative Cover Sheet - Scranton City Council

Legislation authorizing the approval of a \$30,000 10 year EDA-RLF Loan at 3.57% APR to – Ritz Hospitality, LLC DBA Black Box Café, guarantors Michael and Sheri Melcher, Newfoundland, PA, for the purchase of equipment and fixtures to enhance food service at the Ritz Theatre at 222 Wyoming Avenue

What Department is this legislation originating from? Where did the initiative for this legislation originate?

OECD originated the legislation as part of the process for granting loans to qualified business applicants under the City of Scranton's approved US Department of Commerce, Economic Development Administration Revolving Loan Fund Program. Scranton City Council acts as the Loan Administration Board and makes the final loan decision.

Summary and Facts of the legislation

Ritz Hospitality, LLC DBA Black Box Café has applied for and met all requirements outlined in the application; the activity meets the requirements of job creation; and is in accordance with financing policies and targeting and loan selection criteria. Ritz Hospitality, LLC DBA Black Box Café is the in-house food service provider to the Ritz Theatre and the Creative and Performing Arts Academy, an organization formed to provide quality education in creative and performing arts and featuring summer camps for area youth. The loan is recommended for approval by OECD's Internal Loan Committee.

Purpose – please include the following in the explanation:

What does the legislation do-what are the specific goals/tasks the legislation seek to accomplish

The legislation serves as the final approval mechanism to fund a \$30,000 equipment loan to this central city business in order to facilitate job creation in the city.

What are the benefits of doing this/Down-side of doing this?

The action uses available US Department of Commerce granted funds to facilitate business and job creation in Downtown Scranton. The downside is the assumed risk of loan default.

How does this legislation relate to the City's Vision/Mission/Priorities?

Both downtown revitalization and job creation are prioritized within current City plans.

Financial Impact - please include the following in the explanation:

Cost (initial and ongoing) - \$30,000 using available federally to be repaid and re-utilized

Benefits – Facilitates business and creates a taxable job and potentially taxable business income

Funding Sources – Grant from US Department of Commerce - Economic Development Administration

Priority Status/Deadlines – OECD would prefer to fund this loan in 2019

Why should the Council unanimously support this legislation?

The loan request meets the criteria for our EDA-RLF Program and benefits the local economy.

Include any other pertinent details and/or relevant information that the Council should be aware of:

This loan funds 30% of the total \$100,000 investment. MetroAction has funded \$36,000 (36%) and the borrowers have invested \$34,000 (34%) of their own funds into the project.



January 10, 2020

Via Hand Delivery
Jessica Eskra, Esquire
340 North Washington Avenue
4th Fl., Law Department
Scranton, PA 18503

Re: Resolution
City of Scranton, EDA-RLF Loan – Ritz Hospitality

Dear Attorney Eskra:

The City of Scranton, specifically OECD, is requesting approval to move forward with an EDA-RLF Loan regarding the above referenced matter.

OECD is requesting that you review the attached Resolution and submit it to City Council for approval along with the Legislative Cover Sheet requested by Council.

Please do not hesitate to contact me if you should need additional information.

Sincerely,

Mary-Pat Ward
Executive Director

/mpw



Office of Economic and
Community Development

INTERNAL APPROVAL

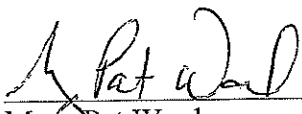
November 27, 2019

Ritz Hospitality LLC, DBA Black Box Café, a local company that provides a public restaurant and catering services within the Creative and Performing Arts Academy and guarantors Michael and Sheri Melcher of Newfoundland, PA have completed the City of Scranton's Economic Development Administration Revolving Loan Fund Program Application. Based on review of the Office of Economic and Community Development (OECD) EDA Loan Committee, the applicant has met all requirements outlined in the application.

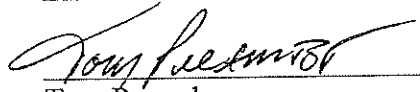
OECD has checked for any delinquencies in property & BP taxes of all parties. No delinquencies were identified.

As of this date, the OECD Loan/Grant Committee approves the above requested EDA – RLF Loan in an amount not to exceed \$30,000.00 at a rate of Three and Fifty-Seven One Hundredths per annum (3.57%) for a term of ten (10) years.

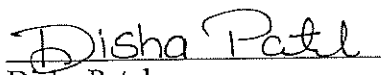
This loan is eligible for funding under the City of Scranton Office of Economic and Community Development's Five Year Revolving Loan Fund Plan as approved by the United States Department of Commerce Economic Development Administration. The activity is designed to create permanent jobs within Scranton.


Mary-Pat Ward
Executive Director

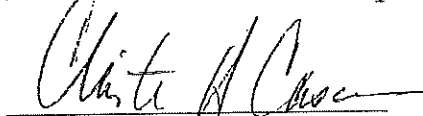
11/27/19
Date


Tom Preambo
Deputy Director

11/27/19
Date


Disha Patel
Director of Finance and Compliance

11/27/19
Date


Chris Casciano
Equal Opportunity Specialist

11/27/19
Date



Office of Economic and
Community Development

INTERNAL APPROVAL

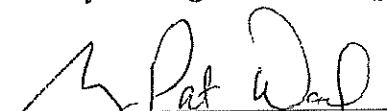
August 21, 2019,

Ritz Hospitality LLC, a local company that provides a public restaurant and catering services within the Creative and Performing Arts Academy and guarantors Michael and Sheri Melcher of Newfoundland, PA have completed the City of Scranton's Economic Development Administration Revolving Loan Fund Program Application. Based on review of the Office of Economic and Community Development (OECD) EDA Loan Committee, the applicant has met all requirements outlined in the application.

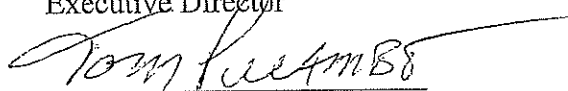
OECD has checked for any delinquencies in property & BP taxes of all parties. No delinquencies were identified.

As of this date, the OECD Loan/Grant Committee approves the above requested Loan to Grant in an amount not to exceed \$30,000.00 at a rate of four per cent per annum (4.00%) for a term of ten (10) years.

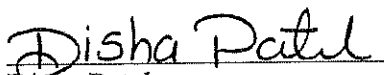
This loan is eligible for funding under the City of Scranton Office of Economic and Community Development's Five Year Revolving Loan Fund Plan as approved by the United States Department of Commerce Economic Development Administration. The activity is designed to create permanent jobs within Scranton.


Mary-Pat Ward
Executive Director


8/21/19
Date


Tom Preambo
Deputy Director

8/21/19
Date


Disha Patel
Director of Finance and Compliance

8/21/19
Date


Chris Casciano
Equal Opportunity Specialist

8/21/19
Date

**LOAN AGREEMENT UNDER
ECONOMIC DEVELOPMENT ADMINISTRATION REVOLVING
LOAN FUND
LOAN PROGRAM OF THE CITY OF SCRANTON
BETWEEN THE CITY OF SCRANTON AND
Ritz Hospitality, LLC DBA Black Box Café**

This Economic Development Administration Revolving Loan Fund Loan Agreement (hereinafter referred to as the "Loan Agreement") is entered into as of the__day of _____, 20__, by and between THE CITY OF SCRANTON by and through the OFFICE OF ECONOMIC AND COMMUNITY DEVELOPMENT(hereinafter erred to as the "City"), a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with offices located at 340 N. Washington Avenue, Scranton, Pennsylvania 18503, and Ritz Hospitality, LLC, DBA Black Box Café, a Pennsylvania limited liability company with its principal place of business located at 222 Wyoming Avenue, Scranton, PA 18503 (hereinafter referred to as the "Borrower").

WITNESSETH

WHEREAS, the Borrower seeks to use the Loan to assist in the acquisition of equipment, furniture and fixtures, to conduct commercial business at 222 Wyoming Avenue, Scranton, PA 18503 (the "Project") (such Project also referred to herein as the "Property"); and

WHEREAS, the Borrower requests financing at lower than conventional rates in order to create a viable business within the City; and

WHEREAS, the Project (as hereinafter defined) will result in the Creation of new job(s) at the Project Site; and

WHEREAS, the Borrower has made application to the City (the "Application") for a loan under the program known as the Economic Development Administration Revolving Loan Fund Loan Program in the amount of Thirty Thousand Dollars (\$30,000.00); and

WHEREAS, City herein agrees to provide financing under the Economic Development Administration Revolving Loan Fund Loan Program by making a loan to the Borrower in the amount of Thirty Thousand Dollars (\$30,000.00); hereinafter referred to as (the "Loan"); and

WHEREAS, there are funds available from the Economic Development Administration Revolving Loan Fund Loan Program to make such a loan; and

WHEREAS, the parties wish to herein provide for terms and conditions of repayment of the Loan and designate the uses to which the Loan proceeds may be applied.

NOW, THEREFORE, the parties hereto, intending to be legally bound, do hereby mutually agree as follows:

INCORPORATION OF RECITALS AND EXHIBITS AND
ACKNOWLEDGMENT OF REGULATIONS.

The foregoing recitals and all attachments and exhibits, if any, attached to is Loan Agreement are incorporated by reference

into and made a part of this Loan Agreement. The Borrower acknowledges knowledge of and understanding of all applicable regulations and laws concerning its borrowing of funds from the Economic Development Administration Revolving Loan Fund Loan Program and agrees to comply with all such applicable regulations and laws, including, but not limited to, those contained in 13 CFR part 316.1, 316.3, 316.7, 316.8, 316.15 and 317.

DESCRIPTION OF PROJECT.

The Loan proceeds will be used by the Borrower only for the purchase of Equipment, furniture, and fixtures, for the operation of the Borrower's business located within the Project Site (hereinafter referred to as the Project"). The Loan proceeds cannot be used for any other purpose without the prior written consent of the City of Scranton, Office of Economic and Community Development.

THE LOAN

Economic Development Administration Revolving Loan Fund Loan The City shall make a Loan to the Borrower in the amount of Thirty Thousand Dollars (\$30,000.00), with interest at the fixed rate of Three and Fifty-Seven One Hundredths per cent (3.57%) per annum, which shall be advanced to Borrower as specified in this Loan Agreement.

Availability of Economic Development Administration Revolving Loan Fund Loan The City of Scranton, by Notice of Award of Grant, and passage of Resolution No. ___ on ___ day of ___, 20___, approved making the Loan to the Borrower.

Terms for Repayment of the Economic Development

Administration**Revolving Loan Fund Loan** The Loan shall be evidenced by the Borrower's note (the "Note"), as of the day of Closing, in the principal amount of Thirty Thousand Dollars (\$30,000.00), containing the terms and conditions of payment set therein. Commencing thirty (30) days after the date of the Closing, the Borrower shall make its initial loan payment of Two Hundred Ninety-Seven and Sixty-Four Cents (\$297.64), and continue making such payments thereafter on the same day of each subsequent month, for a total of one hundred and twenty (120) months. The entire principal balance of the loan, as well as any interest accrued thereon, shall be paid in full by Borrower on or prior to one hundred and twenty (120) months after the execution of the Loan Agreement. There shall be no penalty for prepayment the principal balance of the Loan.

Disbursement of Proceeds The proceeds of the Loan shall be disbursed at Closing, to or for the benefit of the Borrower, and as directed by the Borrower.

HIRING COMMITMENTS

Creation of New Jobs As an absolute condition of the Loan, Borrower agrees to create, within six (6) months from the date of this Loan Agreement, at least one (1) new, full-time equivalent, permanent job at the Project Site as a direct result of the Project financed by the Loan. The specific positions to be filled are described in the documents attached to this Loan Agreement as **ATTACHMENT "A"**, the terms of which are

incorporated herein by reference, as though set forth at length. Borrower agrees to ensure that at least fifty-one (51%) percent of the job described in the ATTACHMENT "A" will be held by or made available to low and moderate income persons as defined in 24 CFR 570.3.

Borrower agrees promptly to collect from its employees and prospective employees the reasonable and necessary data required by EDA for the City's Office of Economic and Community Development to monitor and verify compliance with the job creation requirement. Borrower shall turn such data over to City's Office of Economic and Community Development in timely manner.

Hiring Verification Procedure.

Contemporaneously with the execution of this Agreement, Borrower will provide City with a certified statement which itemizes the names, positions and non-overtime hours actually worked by each of its direct employees during the pay period immediately preceding the date of execution of this agreement.

Hiring Commitment Fulfillment.

City shall consider Borrower to have fulfilled the hiring commitment if the Borrower reports quarterly, beginning with the date of this Loan Agreement, to the City any new positions created within the six (6) month time period and the Borrower has presented to City a sworn statement which itemizes each position created.

Penalties for Failure to Meet Hiring Commitments.

If, upon the sixth month anniversary of the date of this Agreement, Borrower has failed to fulfill the job creation requirements described in this section, City at its option may do any or all of the following:

- 1) Declare the Borrower in default and demand a repayment of the principal amount of the Loans equal to the balance outstanding on the Loans within thirty (30) days from the date of demand;
- 2) Require Borrower to pay within thirty (30) days of demand to City any penalty or recapture levied upon City by EDA which is based upon Borrower's failure to fulfill the hiring commitments.

DATE OF CLOSING. The closing of the Loan shall take place at the offices of the City of Scranton, Office of Economic and Community Development, City Hall, 340 North Washington Avenue, First Floor, Scranton, Pennsylvania 18503, on such date as the City and Borrower shall agree (the "Closing").

SECURITY. The Loan shall be secured, and repayment guaranteed, by the following: Loan Agreement, the Note; a Security Agreement granting a lien on all of the Borrower's equipment, furniture, fixtures, and inventory and an absolute, unconditional and irrevocable personal guaranty of repayment by Michal Melcher and Sheri Melcher, in a form satisfactory to the City.

CONDITIONS. Funding of the Loan will be subject to the Borrower fulfilling the following conditions to the reasonable satisfaction of the City:

Execution and delivery by the Borrower of the Loan Agreement, Note, Security Agreement, Guaranty Agreement as well as such additional documents, security agreements, financing statements and other instruments, as the CITY may reasonably require collectively, the "Loan Documents";

The Borrower shall deliver to the CITY at Closing an opinion of its counsel, in form reasonably acceptable to the CITY as to good standing, authorization, the perfection of the CITY's lien in any real or personal property with respect to which the CITY is given a security interest or mortgage, incumbency of officers, the validity and enforceability of all documents, compliance with applicable laws and regulations, litigation, and, except as previously disclosed herein, compliance with all existing material agreements and such other matters as the CITY may reasonably require; and

The Borrower shall provide to the CITY a copy of a valid lease evidencing the Borrower's right to possession of and to occupy the Property.

The Borrower shall provide to the CITY confirmation that the insurance policies required by the Loan Documents are in effect.

The parties hereto acknowledge that funds cannot be disbursed until completion by the City of all requirements necessary for the City to make the Loan have been satisfied.

COVENANTS. The Borrower covenants and agrees with the City that long as any portion of the Loan remains outstanding and unpaid the Borrower shall:

Pay promptly when due all installments due at the time and in the manner specified in the Note and pay all other sums of every nature and kind comprising part of the Loan in the manner and at the times required by this Loan Agreement and the Note.

Keep, perform, and comply with all covenants, terms, and conditions this Loan Agreement;

As applicable, maintain all material franchises, licenses, permits and authorizations required for the operation of its business located at the Project Site, and operate its business in compliance with the same and in accordance and in compliance with statutes, ordinances and regulations applicable to such operation;

Maintain the Property at the Project Site in good order and condition, make, or cause to be made, all repairs, replacements and renewals necessary for the proper maintenance and operation of the same, and admit authorized representatives of the City to inspect the same at reasonable times in the presence of authorized representatives of the Borrower, and upon providing reasonable prior notice to the Borrower;

Maintain with respect to the Property and/or Project Site:

- 1) property insurance and public liability insurance and such other types of insurance that the CITY may reasonably

require, with insurance companies reasonably satisfactory to the CITY and in such amounts and against such risks as are customarily insured by similar entities;

2) Keep all insurance in full force and effect and pay all premiums therefore and deliver copies of certificates of insurance to the CITY with the interest of the CITY in all insured property covered under a standard loss payable clause; as appropriate, the policies in all cases to provide for not less than ten days prior written notice to the CITY of any intended cancellation;

3) Act prudently and in accordance with customary industry standards managing and operating the Project;

4) Pay or cause to be paid promptly when due all applicable taxes, rental fees, and other municipal assessments, rentals, and charges of every nature and kind at any time levied and imposed on the Business or Property, as well as all debts, obligations, and claims of every nature and kind which, if unpaid, might or could become a lien or charge upon the Business or Property, unless the validity thereof is being contested in good faith by the Borrower by appropriate proceedings diligently conducted to the reasonable satisfaction the City and the Borrower's liability is covered by escrows or reserves that the City shall reasonably deem adequate;

5) Furnish to the CITY within a reasonable time, upon request, after the end of each of the Borrower's fiscal years, financial statements of the borrower prepared, at minimum, on a compilation basis, by certified public accountants acceptable to the CITY, certified to be correct;

6) Furnish all additional information with respect to the Borrower that CITY may from time to time reasonably request.

Borrower hereby authorizes all duly constituted federal, state and municipal authorities to furnish to the CITY copies of audit reports of the Borrower made by any of them;

7) Promptly give written notice to the CITY of any material damage to the Property as well as written notice of the revocation or termination of any material lease, franchise, license, permit or other authorization required for the operation of the Project or any other event, including litigation or other proceedings commenced or threatened, which might or could have a material adverse effect on the Borrower's financial condition or on the operation of the Borrower's business including any event which, after the passage of time or the giving of notice or both, would constitute an event of default under this Loan Agreement; and

8.) Perform in a timely manner all of its material covenants, obligations and agreements under each material contract, lease, mortgage, deed of trust or other encumbrance or agreement relating to the Project; and

9.) Comply with all applicable provisions of any and all regulations, ordinances or laws governing this Loan Program;

10.) Not without the prior written consent of the City,

(i) Merge, consolidate or divide, whether or not the BORROWER is the surviving corporation or other entity,

(ii) Sell, transfer, assign, lease, mortgage, lien, hedge or otherwise convey or dispose of all or any material part of its assets, except in the ordinary course of business,

(iii) Try a reorganization, recapitalization or reclassification of its capital stock, or equity securities, the effect of which is materially to reduce tangible net assets or shareholders' equity of the BORROWER,

(iv) issue, redeem, purchase or retire any of its member interests, capital stock or equity securities or grant or issue any warrant, right or option pertaining thereto other security convertible into any of the foregoing, except pro-rata among existing security holders the effect of which is not materially to reduce tangible net assets or shareholders' equity, or (v) permit any change Borrower's ownership interests or equity securities from that previously disclosed to the CITY in connection with the Loan; and

11.) Not, without the prior written consent of the City, (a) declare or pay by dividend (other than an amount equal to the owners' share of the borrower's taxes that flow through to the said owners) or make any distribution upon its capital stock, or purchase or retire any of its capital stock, or (b) give any preferential treatment, make any advance, directly or indirectly, by way of loan, gift, bonus, or otherwise, to any individual or company directly or indirectly controlling or affiliated with or controlled by the Borrower; or to any officer, director, or employee of the Borrower or in any such company, or (c) make any distributions of assets of the business to the Borrower other than in the ordinary course of business.

REPRESENTATIONS AND WARRANTIES To induce the City to provide the financing described in this Loan Agreement, Borrower hereby presents and warrants to the City that:

Borrower is a duly organized limited liability company, existing, and good standing under the laws of the Commonwealth of Pennsylvania; and that all books and records of the business pertaining to its financial condition and operation will be kept at the Property; and

Borrower has the power and authority to own its assets and to carry on the activities contemplated by the Application;

Borrower holds all material franchises, licenses, permits and other authorizations of any nature and kind required for the ownership of assets and the operation of its business at the Property, all of which are in full force and effect;

The execution and delivery of this Loan Agreement, and other Documents to which it is a party, and compliance with their respective covenants ; terms and conditions, will not violate any provisions or any governing agreements relating to Borrower, or any statute, regulation, order, writ, injunction, decree, decision of any court or governmental agency binding upon it or conflict with or result in a breach any of the covenants, terms and conditions of any material agreement or instrument to which the Borrower is a party or by which it is bound or to which it is subject, or constitute a default thereunder, or result in the creation or imposition of a lien, charge or encumbrance of any nature or kind upon any of the assets of the Borrower pursuant to the terms of any such agreement, instrument or otherwise;

The execution and delivery of this Loan Agreement, and the other loan documents to which it is a party, and compliance with all the covenants, terms and conditions thereof has been duly authorized by proper action of Borrower and when duly executed and delivered by the Borrower will constitute the valid and binding obligations of the Borrower enforceable in accordance with their respective terms.

Borrower has filed, and shall, as required, file in a timely manner, Federal, State and Local tax returns and has paid, or shall pay, all taxes own to be due thereon;

There is no material litigation or governmental proceeding pending or the knowledge of the Borrower) threatened against or affecting the borrower or any of its assets or the operation of its business, which, if adversely determined, would have a material adverse effect on the financial condition of the Borrower;

Borrower will not dispose of any hazardous waste in violation of any environmental statutes, regulations or other restrictions at the Project and will not knowingly violate any environmental statutes, regulations other restrictions;

There is no material fact that the Borrower has not disclosed to the CITY, which could have a material adverse effect on the Project or the prospects or condition (financial or otherwise) of Project. No certificate or settlement delivered herewith or heretofore by the Borrower in connection with this Loan Agreement or the Application contains any untrue statement material fact or omits to state any material facts necessary to keep the statements contained herein or therein from being misleading;

Borrower shall at all times keep proper books of account in a manner satisfactory to the CITY and in accordance with generally accepted accounting practices.

Borrower hereby authorizes the CITY to make or use to be made, at the Borrowers' expense and in such manner and at such times as the CITY may reasonably require, inspections and audits

of any books, records and papers in the custody or control of the Borrower or others, relating to the Project, including the making of copies thereof and extracts there from, and inspections and appraisals of any of the Property.

Borrower will furnish to the CITY for the twelve (12) month period and semi-annually thereafter, financial and operating statements relating to the Project.

Borrower hereby authorizes all Federal, State and Municipal authorities to furnish reports of examinations, records, and other information relating to the conditions and affairs of the Borrower and any desired information from reports, returns, files, and records of such authorities, relating to the Project, upon request therefore by CITY.

The unpaid balance of the Loan shall be immediately due and payable, if the Borrower, during the term of the Loan, affects a change of ownership or control of the business located at the Property without the prior written consent of the CITY;

The Security Agreement granted by the Borrower to the City will create a good and valid lien on all of the Borrower's equipment.

EVENT OF DEFAULT An event of default under this Loan Agreement shall be deemed to have occurred if the Borrower shall: fail to pay any installment of interest or principal on the Note within ten (10) days after notice from the CITY to the Borrower that any such installment is more than five (5) days late;

fail to pay any other sum required to be paid under the Note or this Loan Agreement within ten (10) days of the Borrower's receipt of notice from the CITY of such failure; or

fail to strictly and timely comply with all the jobs creation requirements described in Section 4 above; or

fail to keep, perform and comply with any of the other covenants, terms and conditions of this Loan Agreement within thirty (30) days of notice from the CITY, provided, however, if compliance cannot be performed within thirty (30) days, the Borrower shall be permitted additional time to comply so long as the Borrower commences compliance and pursues it vigorously within the initial thirty (30) day period; or

Borrower becomes insolvent or files or is named in any petition for relief under the Bankruptcy Code or make any assignment for the benefit of creditors or an agent authorized to liquidate any substantial amount of any of the Borrower's properties and assets or applies for or consents to or suffers the appointment of a receiver or trustee.

REMEDIES If an event of default as defined in this Loan Agreement shall occur, the CITY shall be entitled, upon twenty (20) days prior written notice to the Borrower, to declare the Loan immediately due and payable and to demand payment of the Note without presentment, demand or protest of any kind, and of which are hereby expressly waived, and thereupon the CITY shall be entitled to exercise separately or concurrently all rights and remedies under the Note or this Loan

Agreement otherwise available to the CITY at law or in equity to enforce collection of the Loan,

The foregoing rights and remedies of the CITY are cumulative and not exclusive of any rights and remedies, which the CITY might otherwise have at law or in equity or by virtue of any statute or rule of procedure.

ALLOWABLE COSTS The Borrower recognizes that the City is obligated to examine all costs claimed by the Borrower relating to the subject for the purpose of cost recovery to effectuate the long-term goals of the Economic Development Administration Revolving Loan Fund Loan Program. Without limiting general applicability of the foregoing, the Borrower is notified that the following cost items, except as they may relate to allowable costs specifically contained in this Loan Agreement or the Application, generally are not be considered eligible expenses:

- Costs paid out prior to the execution of this Loan Agreement.
- Interim interest paid on funds borrowed by the Borrower in anticipation of disbursement of the CITY's loans or other Project funds
- The compensation of consultants and professional service providers
- Cost as incurred prior to the Notice of Award of Grant by the CITY.

Private Investment must be made within twelve (12) months prior to or twelve (12) months after the approval of the RLF Loan as part of the same business development project to be classified as leveraged.

AUDIT The Borrower agrees to participate actively if requested, and without compensation, in the CITY's audits of the Project and further agrees to fully and faithfully cooperate with the CITY in meeting any and all requirements of the Federal Government.

NO LIABILITY FOR FAILURE TO COMPLETE The Borrower agrees to include in all contracts with any party involving the use of Loan Proceeds acknowledgment that the CITY shall not be liable to any party for completion of, or the failure to complete, any activities, which are part of the Project, from the date of this Loan.

EXPENSES

Borrower agrees to pay City's reasonable attorney's fees, court costs and other disbursements ordered by the court the event the CITY takes successful legal action to enforce the CITY's rights under this Loan Agreement.

Borrower will, on demand, reimburse the CITY for any and all costs, fees and expenses incurred as a result of a breach, including, but not limited to, underwriter's discounts, fiscal agency fees, and all other fees, expenses and costs of issuance which are incurred or which may be hereafter incurred by the CITY from time to time in connection with or by reason of the Borrower's application for the making of and the administration of the Borrower's permanent financing stages of the Loan.

RECORDING COSTS The Borrower agrees to pay all recording costs or filing fees related to the Loan, if any.

HOLD HARMLESS AGREEMENT. The Borrower will indemnify and defend the CITY and hold it harmless from any claim against it involving or any way arising out of its involvement with this Project, unless involving in any way arising out of the willful misconduct of the CITY, its agents or employees. In particular, but without limiting the general application of the foregoing, and pursuant to Section 4 above, the Borrower will, within thirty (30) days of the CITY's demand, pay any penalty or recapture levied upon the CITY which originates in the Borrower's failure to fulfill, or document fulfillment of, its hiring commitments stated in this Loan Agreement or the Application.

EXERCISE OF RIGHTS No delay or failure of the CITY in exercising any right or remedy under this Loan Agreement shall be deemed a waiver of such right or remedy or affect or impair the future exercise of such right or remedy and no modification or waiver by the CITY of any covenant or condition of this Loan Agreement or waiver by the CITY of any default hereunder shall be effective for any purpose unless contained in writing signed by the CITY and then only to the extent specifically set forth in such writing.

NOTICES AND DEMANDS All notices or demands required by the provisions of this Loan Agreement shall be in writing, and shall be effective upon delivery, if personally delivered, one (1) business day after sending by Federal Express, UPS, or other recognized overnight delivery service, or three (3) business days after the date of mailing by United States Certified Mail, with stage prepaid, addressed:

If to the City:

Office of Economic and Community Development

City of Scranton - City Hall
340 North Washington Avenue First Floor
Scranton, PA 18503
Attn.: Executive Director

If to the Borrower:

Ritz Hospitality, LLC DBA Black Box Café
222 Wyoming Avenue
Scranton PA 18503
Attn: Michael Melcher

Or at such other address as such party shall from time to time direct by written notice given to the other party in like manner.

CONSENT TO JURISDICTION The Borrower irrevocably consents to the exclusive jurisdiction of the Court of Common Pleas of Lackawanna County, Pennsylvania in any and all actions and proceedings arising hereunder. The Borrower hereby waives and shall not interpose any sections of forum non conveniens or to venue, and waives any right to move any proceeding commenced in a state court to a federal court, and consents to any and all relief ordered by such court.

SEVERABILITY The invalidity of any one or more sections of this an Agreement or any portion thereof shall not be deemed to affect or impair the validity and enforceability of the remainder.

ASSIGNMENT: BINDING EFFECT All covenants, terms and provisions of this Loan Agreement shall inure to the benefit of and extend and bind the successors and assigns of the CITY, provided that the Borrower shall not have the right to assign this Loan Agreement or any rights hereunder to any other person or entity, excepting any entity into which the Borrower shall be merged or

with which the Borrower shall be consolidated and any entity which shall purchase substantially all assets of the Borrower.

COMPLIANCE WITH EDA REQUIREMENTS The Borrower shall comply with any and all applicable laws and/ or regulations applicable to its receipt and use of the funds being loaned to it pursuant to the aforementioned loan program, including, but not limited to, all of the following requirements where applicable:

The regulations for the Economic Development Administration Revolving Loan Fund Loan Program contained in 13 CFR, Part 316.1, 316.3, 316.7, 316.8, 316.15 and 317.

All requirements imposed by Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and Section 1.09 of the Housing and Community Development Act of 1974, as amended, and the regulations related to equal opportunity (24 CFR, Part 570.601). No person in the United States shall, the grounds of race, color, creed, religion or national origin, sex, disability or other handicap, age, marital status or status with regard to public assistance, be excluded from participation in, be denied the benefits or be subjected to discrimination under, any project assisted with EDA Funds.

The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234);

The lead-based paint requirements of 24 CFR, part 35, Subpart B, used pursuant to the Lead-Based Paint Poisoning Act (42 U.S.C., 4801 etg_.);

The regulations, policies, guidelines and requirements of OMB Circular A-102 Revised (handbook 1300.17), which relates to the acceptance and use of federal funds;

The labor standards requirements as set forth in 13 CFR Part 300.etc, Employees on construction jobs assisted with EDA funds must be paid prevailing federal wage rates; and the Project must comply with the City's position regarding the Boston Harbor Agreement, if applicable;

Section 504 of the Rehabilitation Act of 1973 (Public Act 93- 112), amended, and implementing regulations. No person (employee or applicant for employment) shall be discriminated against because of a physical or mental disability with regard to any position for which the employee or applicant is qualified;

The provisions of the Age Discrimination Act of 1975, as amended , Public Law 94-135);

Requests from EDA, the City and the Comptroller General (or any authorized representatives) for access to and the right to examine all records, books, papers or documents related to the Loan and cooperate fully with the City in supplying information to meet audit requirements;

The American with Disabilities Act of 1990 (42 U.S.C. Section 12101 seq.); Section 3 of the Housing and Urban Development Act of 1968, as amended, and implementing regulations at 24 CFR, Part 135 requiring 3.t to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the

Project area and contracts for work in connection with the Project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the area of the Project;

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570, Part 1. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Borrower shall cause or require a covenant running with the land to be inserted in the deed or lease such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The Borrower, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate; Section 112 of P.L. 92-65 (42 U.S.C. § 3123) prohibiting sex discrimination in any program or activity receiving Federal Financial Assistance under PWEDA; and Borrower will, in all solicitations or advertisements for employees acted by or on behalf of Borrower; state that it is an Equal Opportunity or Affirmative Action Employer.

ENTIRE AGREEMENT It is understood and agreed by the parties hereto that this is the entire agreement between the parties and that no verbal statement and no prior written matter extrinsic to this instrument shall have any force or effect. This Loan Agreement shall not be modified except by writing, subscribed by both parties.

HONORABLE AGREEMENT This is an honorable Loan Agreement intended to achieve the recited purposes. This Loan Agreement is to be instructed and applied liberally to achieve those purposes and is not to be defeated by resorting to technical defenses or objections to price imputation or any other matter affecting its operation.

WAIVER OF BREACH The waiver by the City of a breach of any provision of this Loan Agreement by the Borrower shall not operate nor be construed as a waiver of any subsequent breach by the Borrower.

COUNTERPARTS This Loan Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together institute one and the same agreement.

SURVIVORSHIP CLAUSE The Borrower and the City acknowledge and agree certain obligations imposed upon them pursuant to the terms of this Loan Agreement may survive the termination of this Loan Agreement and be legally binding upon the parties hereto subsequent to the termination of this Loan Agreement.

INTERPRETATION This Loan Agreement shall constitute a contract under the laws of the Commonwealth of Pennsylvania and shall for all purposes be construed in accordance with such laws. The headings of sections in this Loan Agreement are for convenience of reference only, and shall not enlarge or restrict the rights of the parties hereto.

IN WITNESS WHEREOF the parties hereto have, in due form of law; have caused this Agreement to be executed by their duly authorized representatives on the day and year first above written.

CITY OF SCRANTON

ATTEST:

City Clerk

BY _____
Mayor, City of Scranton

Date

Date

BY _____
City Controller

Date

BY _____
Executive Director
Office of Economic and Community Development

Date

APPROVED AS TO FORM:

City Solicitor

Date

Borrower: Ritz Hospitality LLC

Authorized Signer Date
Name/Title

Authorized Signer Date
Name/Title

EDA-RLF Loan Program

BORROWER: Ritz Hospitality, LLC DBA Black Box Café

Following is a summary of new, permanent jobs to be created as a result of the EDA funding assistance provided through this loan program: FT = 40hrs/wk

Job Title	Status		This job is to be created as a absolute	Job to be made available to low/mod persons as a absolute	Does this job require special skills or education?
	FT (number of positions)	PT (total hours per week)			
TBD	1		will be created	yes	no

FT JOBS

1

PT JOBS AS FTE

0

TOTAL JOBS

4

The jobs will be created within 6 months following the disbursement of loan funds

You should complete a **Family Income Certification** form (sample attached) each time you fill a newly-created, permanent position. Employees should provide information about their family's gross annual income **prior** to being hired by you, so that you can maintain documentation about which of these positions are held by low/mod persons. You will be required to submit copies of these forms to OECD on a quarterly basis until the job creation requirement has been met; as stated in the terms of your loan agreement.

This activity has been processed & maintained by: Tom Preambo, OECD Deputy Director

G U A R A N T Y

Pursuant to this Guaranty dated the ____ day of _____, 20__ the undersigned, listed **Michael Melcher and Sheri Melcher, his wife, of Greentown, Pennsylvania, 18426** ("GUARANTOR"), hereby unconditionally guarantees to the City of Scranton, a city of the Second Class A, a municipal corporation, organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter the "City") the due performance, including, but not limited to, the prompt payment when due by the principal debtor, **Ritz Hospitality, LLC DBA BLACK BOX CAFÉ**, a Pennsylvania limited liability company, and all of its liabilities to the City as set forth in that certain Loan Agreement and Promissory Note both dated the same date as this Guaranty concerning a loan from the City to **Ritz Hospitality, LLC DBA BLACK BOX CAFÉ** ("PRINCIPAL BORROWER") in the amount of **Thirty Thousand Dollars (\$30,000.00)**.

This Guaranty is a continuing one and shall be effective as binding on the undersigned regardless whether or not all indebtedness is paid in full, until this guaranty is revoked by written notice actually received by the CITY, and such revocation shall not be effective as to indebtedness existing or committed for at the time of actual receipt of such notice by the CITY, or as to any renewals, extensions and re-financings thereof.

The liability of the undersigned hereunder is absolute and unconditional and shall not be affected in any way by reason of (a) any failure to retain or preserve, or the lack of prior enforcement of, any rights against any person or persons (including the PRINCIPAL BORROWER and any of the undersigned) or in any property; (b) the invalidity of any such rights which may be attempted to be obtained; (c) any delay in enforcing or failure to enforce any such rights even if such rights are thereby lost; or (d) any delay in making demand on the undersigned for performance or payment of the undersigned's obligations hereunder.

The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and the PRINCIPAL BORROWER's liabilities to City including but not limited to notice of the acceptance hereof and reliance hereon, of the present existence or future incurring of any of the PRINCIPAL BORROWER's liabilities to City, of the amount, terms and conditions thereof, and of any defaults thereon. The undersigned hereby consents to the taking of, or failure to take, from time to time without notice to the undersigned, any action of any nature whatsoever with respect to the PRINCIPAL BORROWER's liabilities to City and with respect to any rights against any persons or persons (including the PRINCIPAL BORROWER and any of the undersigned) or in any property, including but not being limited to, any renewals, extensions, modifications, postponements, compromises, indulgences, waivers, surrenders, exchanges and releases, and the undersigned will remain fully liable hereunder notwithstanding any of the foregoing; provided, however, that the granting of a release of the liability hereunder of less than all of the undersigned shall be effective with respect to the liability hereunder of the one or more who are specifically so released but shall in no way affect the liability hereunder of any other of the undersigned not so released. The death or incapacity of any of the undersigned shall in no way affect the liability hereunder of any other of the undersigned. The undersigned hereby waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder, including without limitation (a) all defenses whatsoever to the undersigned's liability hereunder except the defense of payments made on account of the PRINCIPAL BORROWER's liabilities to City and (b) all right to stay of execution and exemption of property in any action to enforce the liability of the undersigned hereunder.

If any default shall be made in the payment of any indebtedness, the undersigned hereby agrees to pay the same to the extent above specified (a) without requiring protest or notice of nonpayment or notice of default to the undersigned, to the PRINCIPAL BORROWER or to any other person; (b) without

proof of demand; (c) without requiring City to resort first to the PRINCIPAL BORROWER, or to any other guaranty or any collateral which City may hold; (d) without requiring any notice of acceptance hereof or assent hereto by City; and (e) without requiring notice than any indebtedness has been incurred, all of which the undersigned hereby waives. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth herein, the undersigned also agrees to pay to the City on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the PRINCIPAL BORROWER'S liabilities to City or the liability of the undersigned hereunder.

If any of the PRINCIPAL BORROWER'S liabilities to City are not duly performed, including the prompt payment when due of any amount payable hereon, all the PRINCIPAL BORROWER'S liabilities to City shall, at the City's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

CONFESSION OF JUDGMENT. GUARANTOR COVENANTS AND AGREES THAT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT BY PRINCIPAL BORROWER, CITY MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS FOR MONEY TO BE ENTERED AGAINST GUARANTOR AND, FOR THOSE PURPOSES, GUARANTOR HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (1) GUARANTOR HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR CITY (AS WELL AS SOMEONE ACTING FOR CITY) IN ANY AND ALL ACTIONS COMMENCED AGAINST GUARANTOR FOR RECOVERY OF THE PRINCIPAL AND INTEREST ON PRINCIPAL BORROWER LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY BY GUARANTOR AND TO APPEAR FOR GUARANTOR, AND ASSESS DAMAGES AND CONFESS OR OTHERWISE ENTER JUDGMENT AGAINST GUARANTOR, FOR PRINCIPAL AND INTEREST ON PRINCIPAL BORROWER LOAN AND/OR OTHER AMOUNTS TO BE PAID TO CITY

BY GUARANTOR, TOGETHER WITH INTEREST AT THE LEGAL RATE, COSTS AND AN ATTORNEYS' COMMISSION EQUAL TO THE GREATER OF \$5,000 OR FIFTEEN PERCENT (15%) OF THE FULL AMOUNT OWED; AND THEREUPON WRITS OF EXECUTION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) THE WARRANT OF ATTORNEY HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF BUT SUCCESSIVE ACTIONS MAY BE COMMENCED AND SUCCESSIVE JUDGMENTS MAY BE CONFESSED OR OTHERWISE ENTERED AGAINST GUARANTOR FROM TIME TO TIME AS OFTEN AS ANY AMOUNTS AND SUMS SHALL FALL OR BE DUE OR PAYABLE, AND THIS WARRANT OF ATTORNEY MAY BE EXERCISED AFTER THE TERMINATION OR EXPIRATION OF THE LOAN TERM AND/OR DURING OR AFTER ANY EXTENSIONS OF THE LOAN TERM OR RENEWALS THEREOF.

Michael Melcher

DATE: _____

Sheri Melcher

DATE: _____

So long as the PRINCIPAL BORROWER'S liabilities to City have not been paid in full, no payment by the undersigned pursuant to the provisions hereof shall entitle the undersigned, by subrogation, to the rights of the City or otherwise, to any payment by the PRINCIPAL BORROWER or out of the property of the PRINCIPAL BORROWER.

A subsequent Guaranty by the undersigned or any other guarantor of the PRINCIPAL BORROWER'S liabilities to City shall not be deemed to be in lieu of or to supersede or terminate this Guaranty but shall be construed as an additional or supplementary guaranty unless otherwise expressly provided therein; and in the event the undersigned or any other guarantor has given to the City a previous guaranty or guaranties, this guaranty shall be construed to

be an additional or supplementary guaranty, and not to be in lieu thereof or to terminate such previous guaranty or guaranties unless expressly so provided herein.

If the undersigned consists of more than one person, such persons shall be jointly and severally liable hereunder. This Guaranty shall inure to the benefit of the City, its successors, assigns, endorsers and any person or persons, including any institution or institutions, to whom the City may grant any interest in the PRINCIPAL BORROWER'S liability to City or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, successors, assigns and other legal representatives.

IT IS EXPRESSLY AGREED BY THE GUARANTOR AND CITY THAT IN ANY ACTION OR PROCEEDING BROUGHT BY THE GUARANTOR OR OTHERWISE COMMENCED AGAINST CITY ARISING OUT OF OR BASED UPON ANY PROVISION OF THIS GUARANTY THE GUARANTOR, JOINTLY AND/OR SEVERALLY FOR THE UNDERSIGNED, AND THE GUARANTOR'S HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNS HEREBY WAIVES ANY RIGHT TO TRIAL OF ANY ISSUE OF FACT BY JURY, WHETHER SUCH TRIAL BY JURY IS PROVIDED FOR BY LAW, EQUITY OR APPLICABLE RULE OF CIVIL PROCEDURE.

The Guarantor(s) intends this to be a sealed instrument and to be legally bound hereby. All issues arising hereunder shall be governed by the Laws of Pennsylvania.

IN WITNESS WHEREOF, intending to be legally bound, the Guarantor has duly caused this Guaranty to be duly signed the day and year first above written.

Michael Melcher

Sheri Melcher

Commonwealth of Pennsylvania)
County of Lackawanna) ss:

On this, the _____ day of _____ 2020, before me, a Notary Public, the undersigned Officer, personally appeared **Michael Melcher and Sheri Melcher**, known to me (or satisfactorily proven) to be the persons whose name are subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

In Witness Where, I hereunto set my hand and official seal.

Title of Officer

PROMISSORY NOTE

\$30,000.00

Scranton, Pennsylvania

_____, 20__

FOR VALUE RECEIVED, and intending to be legally bound, the undersigned, **Ritz Hospitality LLC, DBA Black Box Cafe** (hereinafter called the "**Maker**"), a Pennsylvania Limited Liability Company with a principal place of business located at 222 Wyoming Avenue Avenue, Scranton, PA 18503, hereby promises to pay to the order of **THE CITY OF SCRANTON** (hereinafter called the "**Holder**"), a municipal corporation organized and existing under the laws of the Commonwealth of Pennsylvania with offices at 340 North Washington Avenue, Scranton, Pennsylvania 18503, or its assignees, the sum of **Thirty Thousand Dollars (\$30,000.00)**, (the "**Loan**") payable together with interest thereon at the fixed rate of **Three and Fifty-Seven One Hundredths percent (3.57%) per annum as follows:**

(2) Payments by Maker to Holder shall commence on the _____ day of _____, 20__, and on the _____ day of each and every month thereafter to and including the _____ day of _____, 20__ and shall be in **monthly installments of principal and interest in the amount of Two Hundred Ninety-seven and Sixty-Four Cents (\$297.64).**

(3) Upon the expiration of one hundred twenty (120) months after the date hereof, the then unpaid balance of principal, interest, and charges collectible under the terms hereof shall be immediately due and payable.

(4) This Note evidences a loan (the "**Loan**") in the above amount made by the Holder to the Maker on this date, the proceeds of which will be advanced by the Holder to the Maker in the manner provided in a Loan Agreement (the "**Loan Agreement**") of this date between the Holder and the Maker for the purposes therein specified. Payment of this Note is secured by a security agreement (the "**Security Agreement**") of this date from the Maker to the Holder, and by, other security described in the Loan Agreement.

(5) The Maker hereby agrees to keep, perform, and comply with all covenants, terms, and conditions of this Note, the Loan Agreement, the Security Agreement, and all of the documents and instruments now and at any time hereafter delivered to and held by the Holder to evidence and secure the Loan (herein collectively called the "**Loan Documents**"), which are incorporated by reference in and made a part of this Note.

(6) This Note shall also evidence all advances and expenditures that the Holder is authorized and permitted to make under the provisions of the Loan

Documents, and all other sums of every nature and kind that at any time hereafter become due and owing by the Maker to the Holder under the Loan Documents, which shall be added to and become part of the principal amount evidenced by this Note and paid to the Holder, with interest, on the due date of the next installment, if not sooner due and payable under the provisions of the Loan Documents.

(7) Payments of principal on this Note shall be made in current funds on the day when due, without presentment, demand, protest, or notice of any kind, all of which are hereby waived. Payment shall be made at the office of the Holder herein designated or at such other place as the Holder may from time to time designate by written notice to the Maker, and shall be made in lawful money of the United States of America without set-off, counterclaim, or other deduction of any nature.

(8) The Holder shall have the right to impose a service charge equivalent to ten percent (10%) of the amount of any installment of principal not received within fifteen (15) days after the date the same becomes due, which shall be added to the principal balance and paid to the Holder on the due date of the next installment.

(9) EVENT OF DEFAULT. An event of default under this Promissory Note shall be deemed to have occurred if the Borrower shall:

a) fail to pay any installment of interest or principal on the Note within ten (10) days after notice from the CITY to the Borrower that any such installment is more than five (5) days late;

b) fail to pay any other sum required to be paid under the Note or this Loan Agreement within ten (10) days of the Borrower's receipt of notice from the CITY of such failure; or

c.) fail to strictly and timely comply with all the job creation requirements described in the Loan to Grant Agreement of even date herewith; or

d) fail to keep, perform and comply with any of the other covenants, terms and conditions of the Loan to Grant Agreement within thirty (30) days of notice from the CITY, provided, however, if compliance cannot be performed within thirty (30) days, the Borrower shall be permitted additional time to comply so long as the Borrower commences compliance and pursues it vigorously within the initial thirty (30) day period; or

e) become insolvent or files or is named in any petition for relief under the Bankruptcy Code or makes any assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of any of the Borrower's

properties and assets or applies for or consents to or suffers the appointment of a receiver or trustee; or

f) close its business for a period of two consecutive weeks or longer.

(10) REMEDIES. If an event of default as defined in Section 9 hereof shall occur, the CITY shall be entitled, upon twenty (20) days prior written notice to the Borrower, to declare the Loan immediately due and payable and to demand payment of the Note without presentment, demand or protest of any kind, all of which are hereby expressly waived, and thereupon the CITY shall be entitled to exercise separately or concurrently all rights and remedies under the Note or this Loan Agreement or otherwise available to the CITY at law or in equity to enforce collection of the Loan. The foregoing rights and remedies of the CITY are cumulative and not exclusive of any rights and remedies, which the CITY might otherwise have at law or in equity or by virtue of any statute or rule of procedure.

(11) Confession of Judgment. This Promissory Note contains a warrant of attorney authorizing any Prothonotary, Clerk of Court, attorney of any court of record and/or the Holder (as well as someone acting for holder) to appear for, and confess judgment(s) against Maker, without any prior notice or an opportunity to be heard. Subparagraph (a) below also permits Holder to execute upon the confessed judgment(s) which could have the effect of depriving Maker of its property without any prior notice or an opportunity to be heard. Maker hereby acknowledges that it has consulted with an attorney regarding the implications of these provisions and Maker understands that it is bargaining away several important legal rights. Accordingly, Maker hereby knowingly, intentionally, voluntarily and unconditionally waives any and all rights that it may have under the constitution and/or laws of the United States of America and the Commonwealth of Pennsylvania to prior notice and/or an opportunity for hearing with respect to both the entry of such confessed judgment(s) and any subsequent attachment, levy or execution thereon.

(a) CONFESSION OF JUDGMENT. MAKER COVENANTS AND AGREES THAT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT BY MAKER, HOLDER MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS FOR MONEY TO BE ENTERED AGAINST MAKER AND, FOR THOSE PURPOSES,

MAKER HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (I) MAKER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR HOLDER (AS WELL AS SOMEONE ACTING FOR HOLDER) IN ANY AND ALL ACTIONS COMMENCED AGAINST MAKER FOR RECOVERY OF THE PRINCIPAL AND INTEREST AND/OR OTHER AMOUNTS TO BE PAID TO HOLDER BY MAKER AND TO APPEAR FOR MAKER, AND ASSESS DAMAGES AND CONFESS OR OTHERWISE ENTER JUDGMENT AGAINST MAKER, FOR PRINCIPAL AND INTEREST AND/OR OTHER AMOUNTS TO BE PAID TO HOLDER BY MAKER, TOGETHER WITH INTEREST AT THE DEFAULT RATE, COSTS AND AN ATTORNEYS' COMMISSION EQUAL TO THE GREATER OF \$5,000 OR FIFTEEN PERCENT (15%) OF THE FULL AMOUNT OF SUCH AMOUNTS AND SUMS; AND THEREUPON WRITS OF EXECUTION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) THE WARRANT OF ATTORNEY HEREIN GRANTED SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF BUT SUCCESSIVE ACTIONS MAY BE COMMENCED AND SUCCESSIVE JUDGMENTS MAY BE CONFESSED OR OTHERWISE ENTERED AGAINST MAKER FROM TIME TO TIME AS OFTEN AS ANY AMOUNTS AND SUMS SHALL FALL OR BE DUE OR PAYABLE, AND THIS WARRANT OF ATTORNEY MAY BE EXERCISED AFTER THE TERMINATION OR EXPIRATION OF THE LOAN TERM AND/OR DURING OR AFTER ANY EXTENSIONS OF THE LOAN TERM OR RENEWALS THEREOF.

BY: _____
TITLE: _____
DATE: _____

(12) The Maker hereby waives the benefit of any present or future law or rule of procedure authorizing stay of execution on any judgment recovered on this Note, and the exemption of property from levy and sale there under, and any and all errors, defects, and imperfections whatsoever of a procedural nature in the entry of any judgment or in any process or proceedings thereon or relating to the same.

(13) Upon any negotiation, sale or assignment of this Note, the holder hereof may deliver same to the transferee or purchaser who shall thereupon become the holder hereunder and as such shall have and may exercise all powers, rights and options with respect to same and otherwise hereby given to the holder, or otherwise available to Holder pursuant to the terms and conditions of the Loan Agreement, and such former holder who thus negotiates, sells or assigns this note shall thereafter be forever relieved and fully discharged from any liability or accountability with respect to same.

(14) If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. This Note shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

(15) All of the foregoing agreements and obligations including, without limitation, the warrant of attorney to confess judgment, shall bind the Maker and its successors and assigns, and shall inure to the benefit of the Holder, its successors and assigns.

In Witness Whereof, the Maker has duly caused this Note to be duly executed by its duly authorized representative, the day and year first above written, intending to be legally bound.

Attest:

Ritz Hospitality LLC DBA Black Box Café

By: _____

Michael Melcher
Authorized Signer

Date: _____



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

January 30, 2020

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED
FEB 3 - 2020
OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE OFFICIALS OF THE CITY OF SCRANTON TO ENTER INTO A LOAN AGREEMENT AND MAKE A LOAN FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION-REVOLVING LOAN PROGRAM, PROJECT NUMBER 009.500.5, IN AN AMOUNT NOT TO EXCEED THIRTY THOUSAND AND 00/00 DOLLARS (\$30,000.00) TO RITZ HOSPITALITY, LLC TO ASSIST IN AN ELIGIBLE PROJECT.

Respectfully,

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2020

APPROVING, IN ACCORDANCE WITH SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, A PLAN OF FINANCING OF THE SCRANTON-LACKAWANNA HEALTH AND WELFARE AUTHORITY AND DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE OF THE CITY OF SCRANTON FOR THE SCRANTON-LACKAWANNA HEALTH AND WELFARE AUTHORITY TO UNDERTAKE A PROJECT FOR HOWARD GARDNER MULTIPLE INTELLIGENCE CHARTER SCHOOL.

WHEREAS, pursuant to the Pennsylvania Municipality Authorities Act, as amended (the "Act"), the City of Scranton, Pennsylvania (the "City"), together with the County of Lackawanna, Pennsylvania (the "County"), created the Scranton-Lackawanna Health and Welfare Authority (the "Authority") to act as a financing authority for projects serving the City and/or the County; and

WHEREAS, Howard Gardner Multiple Intelligence Charter School (the "Borrower") has requested the Authority to issue its revenue notes (the "Notes") in one or more series in an aggregate principal amount not to exceed \$5,000,000 to finance, refinance and/or reimburse a project (the "Project") for the benefit of the Borrower consisting of all or any of the following: (a) designing, acquiring, constructing, renovating, improving, furnishing and equipping of new facilities and existing facilities of the Borrower, including, but not limited to, an approximately 11,000 square foot addition to the existing facilities of the Borrower; (b) designing, acquiring, constructing and equipping of site, infrastructure and parking improvements and various other capital improvements to the Borrower's existing facilities and acquiring various capital equipment for use in or in connection with the facilities of the Borrower; (c) refunding the Borrower's outstanding Promissory Note, dated June 20, 2013; (d) funding, if applicable, capitalized interest on the Notes and necessary reserves for the Notes; (e) refunding any other outstanding indebtedness of the Borrower, if advantageous to the Borrower; and (f) funding contingencies and paying all or a portion of the costs and expenses of issuance of the Notes; and

WHEREAS, the Authority has authorized the issuance of the Notes pursuant to a Resolution adopted by the Authority on January 16, 2020, subject to approval of the Project by the City and by the County; and

SCRANTON/LACKAWANNA HEALTH AND WELFARE AUTHORITY

LACKAWANNA COUNTY GOVT CENTER • P.O Box 860 • 123 WYOMING AVENUE, • SCRANTON, PA 18501-0860

January 16, 2020

(570) 342-2353

FAX (570) 342-4088

Honorable Paige Cagnetti
Mayor, City of Scranton
340 N. Washington Avenue
Scranton, PA 18503

RE: Health and Welfare Authority Resolution for Howard Gardner Multiple
Intelligence Charter School Tax Free Financing not to exceed \$5,000,000.00

Dear Mayor Cagnetti:

Enclosed is a proposed resolution approving the financing of certain facilities and declaring that it is desirable for the health, safety and welfare of the people in the area to be served by facilities of the Howard Gardner Multiple Intelligence Charter School to have such facilities financed through the Scranton-Lackawanna Health and Welfare Authority for a maximum principal amount not to exceed \$5,000,000.

Also enclosed is an Approval of Applicable Elected Representative document which must be approved. Under the Tax Reform Act of 1986, as amended, the Scranton-Lackawanna Health and Welfare Authority, subsequent to holding a Public Hearing, must receive approval from the chief elected official of each governmental unit having jurisdiction over any Project that the Authority undertakes.

The Authority would appreciate placement of this Resolution on the Agenda for the next scheduled Council Meeting. Also, please keep in mind there is no liability on the City's behalf by approving this Resolution.

On behalf of the representatives of Howard Gardner and the Authority, we wish to thank you for your participation in this Project. If you have any questions or concerns, please contact our office at any time.

Sincerely,



Mary Ellen Clarke
Asst. Administrator

Encl.

cc: Lori Reed, City Clerk, City of Scranton
Jessica Eskra, Solicitor, City of Scranton
Sally Locker, Law Office, City of Scranton

SCRANTON-LACKAWANNA HEALTH AND WELFARE AUTHORITY

TRANSCRIPT OF PUBLIC HEARING
of January 16, 2020

The Public Hearing of the Scranton-Lackawanna Health and Welfare Authority (the "Authority") scheduled for 5PM., local time, on Thursday, January 16, 2020, is hereby called to order. This Public Hearing is being held pursuant to the requirements of Section 147 (f) of the Internal Revenue Code of 1986, as amended. Attending the hearing on behalf of Howard Gardner Multiple Intelligence Charter School (the "Borrower") relating to the Authority's proposed issuance of its 2020 Revenue Note in an aggregate principal amount up to but not exceeding \$5,000,000.00 is Marie George, CEO of the Borrower, Brian Koscelansky, Esq., of Stevens & Lee, Bond Counsel; and Vincent O'Bell, William Lazor, Jerry Preschutti, Jerry Weinberger, John Granahan, Victor Giambrone, Gary Cicerini, James Walsh, William Boyle, Board Members of the Authority and Mary Ellen Clarke, Assistant Administrator of the Authority.

The representatives of the Authority and the Borrower attending the Public Hearing have described the nature and the purpose of the project being financed by the issuance of the 2020 Revenue Note in an aggregate amount up to but not exceeding \$5,000,000.00. The proceeds of the debt to be issued will constitute qualified 501(c)(3) bonds as defined in Section 145 of the Internal Revenue Code as amended, for educational purposes to finance, refinance and/or reimburse all or any of the following: (a) designing, acquiring, constructing, renovating, improving, furnishing and equipping of new facilities and existing facilities of the Borrower, including, but not limited to, an approximately 11,000 square foot addition to the existing facilities of the Borrower; (b) designing, acquiring, constructing and equipping of site, infrastructure and parking improvements and various other capital improvements to the Borrower's existing facilities and acquiring various capital equipment for use in or in connection with the facilities of the Borrower; (c) refunding the Borrower's outstanding Promissory Note; dated June 20, 2013 (the "2013 Note"); (d) refunding any other outstanding indebtedness of the Borrower, if advantageous to the Borrower; (e) funding, if applicable, capitalized interest on the 2020 Revenue Note and necessary reserves for the 2020 Revenue Note; and (f) funding contingencies and paying all or a portion of the costs and expenses of issuance of the 2020 Revenue Note.

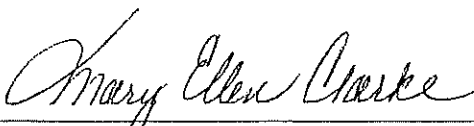
I hereby enter into the Record one copy of an affidavit showing publication in The Scranton Times, a newspaper of general circulation in Lackawanna County, Pennsylvania, on a date at least seven (7) days prior hereto, of notice of the public hearing. The affidavit of publication is attached to this transcript.

The Authority is now ready to hear testimony and other comments from the public concerning the issuance by the Authority of the 2020 Revenue Note.

Let the record show that no members of the public have offered testimony or other comments as of 5:25PM this date. Let the record also reflect that written comments have not been received. Accordingly, this public hearing is adjourned.

I, Mary Ellen Clarke, Assistant Administrator of the Scranton Lackawanna Health and Welfare Authority, do hereby certify that the foregoing is a true and accurate transcript of the Public Hearing held on January 16, 2020, by the Scranton-Lackawanna Health and Welfare Authority.

Date: January 16, 2020


Assistant Administrator

The Scranton Times (Under act P.L. 877 No 160. July 9, 1976)
Commonwealth of Pennsylvania, County of Lackawanna

HOWARD GARDNER SCHOOL
CHUCK WALLINGER, BUSINESS MANA
1615 EAST ELM STREET SCRANTON PA 18505

Account # 58688
Order # 82410293
Ad Price: 619.70

NOTICE OF PUBLIC HEARING

Lisa Burke

Being duly sworn according to law deposes and says that (s)he is Billing clerk for The Scranton Times, owner and publisher of The Scranton Times, a newspaper of general circulation, established in 1870, published in the city of Scranton, county and state aforesaid, and that the printed notice or publication hereto attached is exactly as printed in the regular editions of the said newspaper on the following dates:

01/08/2020

Affiant further deposes and says that neither the affiant nor The Scranton Times is interested in the subject matter of the aforesaid notice or advertisement and that all allegations in the foregoing statement as time, place and character or publication are true Lisa Burke

Sworn and subscribed to before me
this 8th day of January A.D., 2020

Sharon Venturi
(Notary Public)

Commonwealth of Pennsylvania - Notary Seal
Sharon Venturi, Notary Public
Lackawanna County
My commission expires February 12, 2022
Commission number 1254228
Member, Pennsylvania Association of Notaries

Members of the public are invited to attend the aforesaid public hearing. The attending public, on their own behalf or by attorney, are urged to provide information and make statements concerning the aforesaid project.

THE SCRANTON-LACKAWANNA HEALTH AND WELFARE AUTHORITY IS ACTING AS A "CONDUIT ISSUER" FOR THE BENEFIT OF THE CORPORATION. AND THE DEBT WILL BE A LIMITED OBLIGATION OF THE SCRANTON-LACKAWANNA

HEALTH AND WELFARE AUTHORITY PAYABLE SOLELY FROM PAYMENTS TO BE MADE BY ONE OR MORE OF THE CORPORATION.

DEBT FINANCINGS OF THE SCRANTON-LACKAWANNA HEALTH AND WELFARE AUTHORITY ARE NOT OBLIGATIONS OF THE COMMONWEALTH OF PENNSYLVANIA, NOR OF ANY CITY, BOROUGH, TOWNSHIP OR OTHER POLITICAL SUBDIVISION OF THE COMMONWEALTH OF PENNSYLVANIA.

This Notice is published in accordance with the requirements of Section 147(f) of the Internal Revenue Code, as amended.

SCRANTON-LACKAWANNA
HEALTH AND
WELFARE AUTHORITY

NOTICE OF PUBLIC HEARING

Scranton-Lackawanna Health and Welfare Authority

Notice is hereby given that the Scranton-Lackawanna Health and Welfare Authority (the "Authority"), will hold a public hearing on January 16, 2020, at 5:00 p.m., on behalf of the City of Scranton and the County of Lackawanna at the office of the Authority, Lackawanna County Government Center, 123

Wyoming Avenue, 5th Floor, Scranton, PA 18503, to discuss and take comment with respect to the financing of the following project:

Scranton-Lackawanna Health and Welfare Authority/Howard Gardner Multiple Intelligence Charter School Project

NAME AND ADDRESS OF OWNER AND OPERATOR OF FACILITIES TO BE FINANCED: Howard Gardner Multiple Intelligence Charter School (the "Corporation"), 1615 East Elm Street, Scranton, PA 18505

ADDRESS OF PROJECT: 1615 East Elm Street, Scranton, PA 18505

TOTAL COST OF PROJECT: Not to Exceed \$5,000,000

MAXIMUM AGGREGATE FACE AMOUNT OF DEBT TO BE ISSUED: Not to Exceed \$5,000,000

PROJECT DESCRIPTION: The proceeds of the debt to be issued will constitute qualified 501(c)(3) bonds as defined in Section 145 of the Internal Revenue Code, as amended, for educational purposes to finance, refinance and/or reimburse all or any of the following: (a) designing, acquiring, constructing, renovating, improving, furnishing and equipping of new facilities and existing facilities of the Corporation, including, but not limited to, an approximately 11,000 square foot addition to the existing facilities of the Corporation; (b) designing, acquiring, constructing and equipping of site, infrastructure and parking improvements and various other capital improvements to the Corporation's existing facilities and acquiring various capital equipment for use in or in connection with the facilities of the Corporation; (c) refunding the Corporations outstanding Promissory Note, dated June 20, 2013 (the 2013 Note); (d) refunding any other outstanding indebtedness of the Corporation, if advantageous to the Corporation; (e) funding, if applicable, capitalized interest on the debt and necessary reserves for the debt; and (f) funding contingencies and paying all or a portion of the costs and expenses of issuance of the debt.

The proceeds of the 2013 Note were used to finance, refinance and/or reimburse the acquisition, renovation and equipping of the Corporations facility located at 1615 East Elm Street, Scranton, PA 18505, and the payment of certain costs of issuing the 2013 Note.



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

February 3, 2020

RECEIVED
FEB 3 - 2020

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION APPROVING, IN
ACCORDANCE WITH SECTION 147(f) OF THE INTERNAL REVENUE CODE
OF 1986, AS AMENDED, A PLAN OF FINANCING OF THE SCRANTON-
LACKAWANNA HEALTH AND WELFARE AUTHORITY AND DECLARING
THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF
THE PEOPLE OF THE CITY OF SCRANTON FOR THE SCRANTON-
LACKAWANNA HEALTH AND WELFARE AUTHORITY TO UNDERTAKE A
PROJECT FOR HOWARD GARDNER MULTIPLE INTELLIGENCE CHARTER
SCHOOL.

Respectfully,

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2020

AUTHORIZING APPOINTMENT OF STEPHANIE L. BRESSLER, PH.D, 1402 EAST GIBSON STREET, SCRANTON, PENNSYLVANIA 18510 AS A MEMBER OF THE BOARD OF ETHICS, EFFECTIVE JANUARY 29, 2020. DR. BRESSLER WILL BE REPLACING JOAN HODOWANITZ WHO RESIGNED EFFECTIVE NOVEMBER 25, 2019. DR. BRESSLER WILL FILL THE UNEXPIRED TERM OF JOAN HODOWANITZ WHICH IS SCHEDULED TO EXPIRE AUGUST 31, 2022.

WHEREAS, Joan Hodowanitz resigned from the Board of Ethics effective November 25, 2019; and

WHEREAS, the Mayor desires to appoint Dr. Stephanie L. Bressler as a member of the Board of Ethics effective January 29, 2020. Dr. Bressler will fill the unexpired term of Joan Hodowanitz, who resigned effective November 25, 2019 which is scheduled to expire August 31, 2022; and

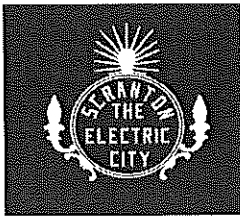
WHEREAS, Dr. Stephanie L. Bressler has the requisite, experience, education and training necessary to act as a member of the Board of Ethics.

NOW, THEREFORE, BE IT RESOLVED that Dr. Stephanie L. Bressler, 1402 East Gibson Street, Scranton, Pennsylvania is hereby appointed as a member of the Board of Ethics effective January 29, 2020. Dr. Bressler will fill the unexpired term of Joan Hodowanitz, who resigned effective November 25, 2019 which is scheduled to expire on August 31, 2022.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



OFFICE OF THE MAYOR

January 29, 2020

Honorable Council of the City of Scranton
340 N. Washington Avenue
Scranton, Pa. 18503

RE: Ethics Commission Appointment, Stephanie Bressler, Ph.D

Dear Council Members:

Please be advised that I am appointing, **Stephanie Bressler, Ph.D**, 1402 E. Gibson St., Scranton, PA 18510, as a member of the Board of Ethics for the City of Scranton effective January 29, 2020.

Dr. Bressler will be replacing Joan Hodowanitz who resigned effective November 25, 2019. Dr. Bressler will fill the unexpired term of Ms. Hodowanitz which is scheduled to expire August 31, 2022.

I respectfully request City Council's concurrence in this appointment.

Sincerely,

A handwritten signature in black ink, reading "Paige G. Cagnetti". The signature is fluid and cursive, with the first name "Paige" and last name "Cagnetti" clearly legible.

Paige G. Cagnetti
Mayor, City of Scranton

CC: Jessica Eskra, Esq., City Solicitor

January 23, 2020

The Honorable Paige Gebhardt Cognetti
Mayor of Scranton
340 North Washington Avenue
Scranton, PA 18503

Dear Mayor Cognetti:

I am requesting your appointment to the Board of Ethics of the City of Scranton.

I hold a B.A. in Sociology, Master of Public Administration and Ph.D. in Political Science. My original purpose in pursuing doctoral work in Political Science after working for almost eleven years in human services for the Commonwealth of Pennsylvania was to acquire a broader understanding of the political process. I wanted to help underrepresented groups gain better access to the political system. My career in teaching evolved during my years in graduate study as I realized that teaching and encouraging students to continue their education is one way to help them achieve this access. My experience in human services as well as working with Latino families provided good preparation for teaching students representing diverse backgrounds.

I was tenured at King's College in Wilkes-Barre where I taught Political Science and helped to establish the Women's Studies Program and the Public Policy Institute. I also taught at Cal Poly University and the University of Scranton before leaving higher education to return to community service. Upon returning to Northeast Pennsylvania my husband and I chose to purchase a home in Scranton. From 2009 to 2015 I worked as Elm Street Manager in South Side and Director of Revitalization and Community Education for United Neighborhood Centers. At UNC I directed revitalization, literacy, and English as Second Language and citizenship programs.

Since my retirement in 2015 I have continued to advocate for immigrant rights and am currently volunteering with Catholic Social Services to help immigrants learn English and apply and prepare for the citizenship test. Since 2016 I have advocated for reform at the Lackawanna County Prison and am currently working with prison officials to launch a voter education and registration initiative at the prison.

I strongly believe that my teaching, public service and volunteer experience provide me with the skills needed to responsibly undertake the powers and duties of the Board of Ethics of the City of Scranton. Thank you for considering my request to be appointed to this board.

Sincerely,

Stephanie L. Bressler, Ph.D
1402 E. Gibson Street, Scranton, PA 18510

Stephanie L. Bressler
1402 East Gibson Street
Scranton, PA 18510

[REDACTED]

[REDACTED]

EDUCATION

B.A. Sociology, Wilson College, Chambersburg, PA, 1971

M.P.A. The Pennsylvania State University, Harrisburg, 1976

Master's Paper: "Organization of Service Within the Dauphin County Mental Health Caregiving System"

Ph.D. Political Science, The Pennsylvania State University, University Park, 1991

Areas of concentration: American Government, Public Administration,
Sociology

Dissertation: "Implementation Politics: The Failed Promise of Pennsylvania's Farmworker Law"

TEACHING EXPERIENCE

8/07 to 12/08	Adjunct Faculty, Political Science and Sociology University of Scranton
1/06 to 12/06	Lecturer, Political Science California Polytechnic State University, San Luis Obispo
8/03 to 12/05	Associate Faculty, Political Science and Sociology Allan Hancock College, Santa Maria, CA
8/88 to 5/02	Assistant/Associate Professor, Political Science, Sociology, Human Resources Management King's College, Wilkes-Barre, PA

PUBLIC/SOCIAL SERVICE EXPERIENCE

7/09 to 6/2015	Director of Revitalization and Community Education/ Elm Street Manager United Neighborhood Centers of Northeastern Pennsylvania
10/02 to 5/03	Team Leader, Telecare Corporation Santa Maria (CA) Support Services
6/87 to 10/87 and 5/86 to 10/86	Project Director, Pennsylvania Farmworker Opportunities Clarks Summit Seasonal Office

8/85 to 10/85	Area Coordinator, Migrant Child Development Program Clarks Summit
10/76 to 8/84	Assistant District Manager/Casework Supervisor/Contract Monitor/Caseworker Bureau of Blindness and Visual Services PA Department of Public Welfare, Harrisburg
2/72 to 7/75	Psychiatric Caseworker PA Department of Public Welfare Harrisburg State Hospital
5/71 to 2/72	Rehabilitation Counselor PA Department of Labor and Industry Harrisburg

PUBLICATIONS

"Ex Corde: Constraint or Window of Opportunity?" 2003. In Women in Catholic Higher Education: Border Work, Living Experiences, and Social Justice, Sharlene Hesse-Biber and Denise Leckenby, eds. Lanham, MD: Lexington Books.

"The Sophomore-Junior Diagnostic Project." 1996. In Assessment in Practice: Putting Principles to Work on College Campuses, Trudy Banta, ed. San Francisco: Jossey-Bass. Co-authored with three King's colleagues.

"Voices of Latina Migrant Mothers in Rural Pennsylvania." 1996. In Children of La Frontera, Judith LeBlanc Flores, ed. Charleston, WV: ERIC Clearinghouse on Rural Education and Small Schools.

"Explaining Implementation Politics: The Case of Pennsylvania's Seasonal Farm Labor Act." 1995-1996. In Commonwealth: A Journal of Political Science, 8: 100-126.

GRANT AWARDS

Awarded grant from Justice and Peace Committee of the Eastern Province of Holy Cross to support Hunger for Justice series focusing on justice issues in the food production industry, presented 2000-2001.

Awarded grant from Pennsylvania Humanities Council for public programming component of oral history project, "Voices of Migrant Women in Rural Pennsylvania," presented 1995 through March 1996. Completed video and photo display used in public programming.

November 25, 2019

101 Penn Avenue
Apartment 404
Scranton, PA 18503

570-341-6944

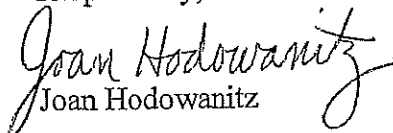
The Honorable Wayne Evans
Municipal Building
340 North Washington Avenue
Scranton, PA 18503

Re: Resignation from Ethics Board

It is with great regret that I must submit my resignation from the Ethics Board effective 5 p.m. today.

I have tried to implement many of the provisions of the City's Code of Ethics since last August. Unfortunately, the lack of a supporting staff and other requirements makes it impossible for me to continue as a board member.

Respectfully,


Joan Hodowanitz



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

February 3, 2020

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED
FEB 04 2020


OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING APPOINTMENT OF STEPHANIE L. BRESSLER, PH.D, 1402 EAST GIBSON STREET, SCRANTON, PENNSYLVANIA 18510 AS A MEMBER OF THE BOARD OF ETHICS, EFFECTIVE JANUARY 29, 2020. DR. BRESSLER WILL BE REPLACING JOAN HODOWANITZ WHO RESIGNED EFFECTIVE NOVEMBER 25, 2019. DR. BRESSLER WILL FILL THE UNEXPIRED TERM OF JOAN HODOWANITZ WHICH IS SCHEDULED TO EXPIRE AUGUST 31, 2022.

THE ADMINISTRATION HAS VERIFIED THAT THE APPOINTEE HAS NO DELINQUENT CITY TAX OR REFUSE PAYMENTS DUE.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl